

Foreign Industrial Production at New High Record

The ANNALIST

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FEDERAL RESERVE BANK
OF NEW YORK

A Journal of Finance, Commerce and Economics

PUBLISHED WEEKLY BY THE NEW YORK TIMES COMPANY

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Vol. 54, No. 1388

New York, Thursday, August 24, 1939

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THE BUSINESS OUTLOOK

On the basis of the recent action of the weekly business index and the known factors in the immediate future, the outlook remains about what it has been, namely, for further improvement in business conditions. But the latest European crisis has taken a sudden turn for the worse, throwing all such calculations, as well as estimates of the probable effect on the continued expansion in armament programs the world over, into the realm of conjecture.

STOCK prices rallied on news of the German-Russian non-aggression pact negotiations. Important financial interests evidently concluded that this development lessened, for the time being, the danger of war in Europe. It obviously increased the risk to England and France of military support of Poland, thus making it seem probable that England and France would not go to war over Danzig.

Yesterday, however, in diplomatic exchanges Chamberlain and Hitler clashed head-on. There were disturbing "incidents" similar to those which have preceded wars in the past. The stock market declined sharply.

One of the reasons why some observers have been inclined to discount war talk during previous European crises in 1938 and 1939 has been the sluggishness of wheat prices. Yesterday, however, wheat prices advanced nearly 4 cents, creating apprehension.

In any event, the armament boom will continue. It will continue to stimulate productive activity at home and abroad. Abroad, the level to which the demand for materials of war has pushed industrial activity is shown by the rise in our index of world industrial production, exclusive of the United States, to 126.6 per cent of the 1928 average in June, a new all-time high record. Judging by the rates of iron and steel output in England and France, productive activity continued to increase in July. In England, pig iron production, seasonally adjusted, reached the highest level since February, 1938, and had recovered most of the ground lost in the 1938 slump. In France, pig iron production, seasonally adjusted, was only slightly below the June level, which was the highest since April, 1931. In England,

steel output in July, seasonally adjusted, was at a new high record for all time; in France, it was at the highest level since May, 1930.

In the United States, the armament program has been advanced to a stage at which the orders we have read so much about in recent weeks are now being reflected in Treasury disbursements. Our national defense expenditures have been increasing steadily under the Roosevelt Administration. In July, however, they increased sharply; and on the basis of Treasury figures for the first sixteen days of August, the August total will show a further sharp increase. Obviously those who predicted dire disaster to business from the failure of Congress to pass the Splendour bill failed to take into account the marked increase that is occurring in national defense expenditures, as well as the probable increase in agricultural subsidies. At the present rate of increase, Federal expenditures for national defense alone are going a long way toward offsetting declines in other kinds of expenditures, such as work relief expenditures (Table I).

TABLE I. NATIONAL DEFENSE EXPENDITURES

	Army.	Navy.	Total.
1934	17,100	22,866	39,974
1935	17,682	26,784	44,466
1936	31,065	32,619	63,703
1937	29,919	41,424	71,343
1938	35,725	47,455	81,180
1939	36,768	52,782	89,550
July	45,797	60,503	106,300
August*	53,000	71,000	124,000

*Estimated on the basis of expenditures from Aug. 1 to Aug. 16. Source: Daily Treasury Statement.

The present European crisis has had a slightly more pronounced effect on cyclical raw material prices than previous crises have had. The effect has never

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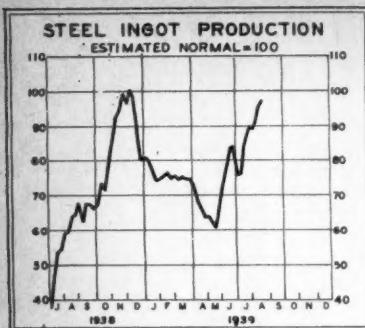
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Latest point: Estimate for week ending Aug. 26. nevertheless been small; of the various components of our cyclical price index only two, hides and silk, are lower this week than last. There is some evidence, however, that in some instances the volume of business has been affected. Zinc sales last week, for example, were sharply lower.

General business activity has nevertheless continued to improve, judging by the recent action of our weekly business index. In the week ended Aug. 12 the combined index advanced to 91.3 from 91.1. In the week ended Aug. 19 there was a further sharp rise in the adjusted index of steel ingot production, and the adjusted index of electric power production reached the highest level since Nov. 20, 1937. On the basis of our estimate of 678,000 cars, total loadings will show a greater-than-seasonal increase. Consequently, despite a further sharp decline in the index of automobile production, it may be estimated that the combined business index for the week ended Aug. 19 will show an increase of about 1½ points.

In the week ended Aug. 19, moreover, despite recent indications that new construction since the turn of the year has

been in a slightly downward trend, orders for lumber reached the largest total since December, 1936, and were considerably in excess of production.

The Iron Age recently said, " * * * there is a growing belief among steel companies and equipment builders that a rising trend of carloadings would bring some of the railroads into the market for cars and locomotives." The Washington Review recently said, "The acceleration [in general

panning charts, has been brought about mainly by recoveries in loadings of coal and coke, and in those commodities the increase seems attributable to the making up of the shortages created by the coal strike. Miscellaneous loadings, seasonally adjusted, which are the most important group from the standpoint of general business trends, have not recovered from the effects of the general business recession that began last December. Loadings



The latest point plotted for the business index is an estimate for the week ended Aug. 19.

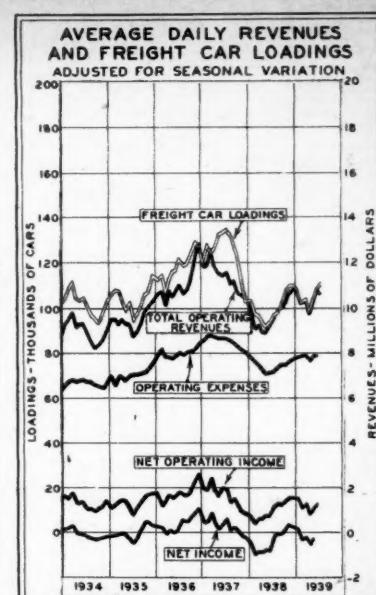
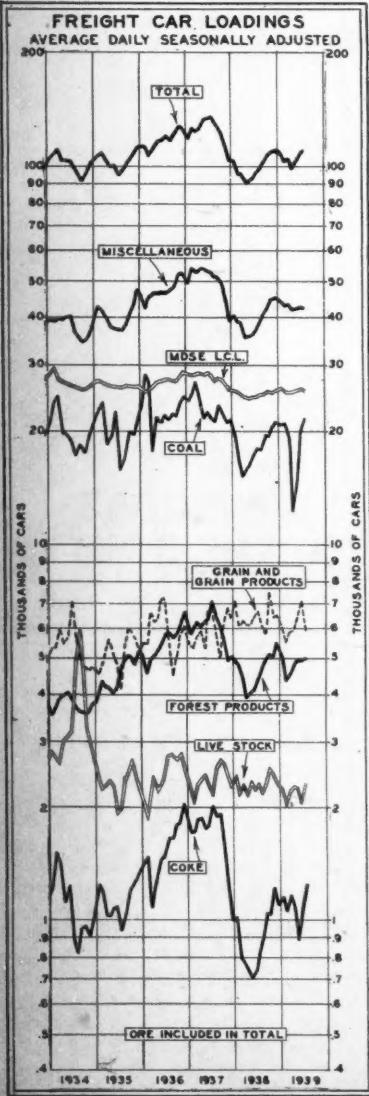
business activity] this year is at a much more rapid rate, and it extends more generally to all parts of the country. * * * A study of recent carloadings brings the same results. In the northwestern area they are up as much as 25 per cent over the figure for last year."

Unfortunately, our studies of carloadings reveal no such sweeping favorable trend. The recent increase in total loadings, as shown by one of the accom-

panying charts, has been brought about mainly by recoveries in loadings of coal and coke, and in those commodities the increase seems attributable to the making up of the shortages created by the coal strike. Miscellaneous loadings, seasonally adjusted, which are the most important group from the standpoint of general business trends, have not recovered from the effects of the general business recession that began last December. Loadings

of l. c. l. merchandise, seasonally adjusted, remain low. Loadings of agricultural products have been in an irregularly downward trend, and little improvement is to be expected in view of the reduced wheat crop.

The absence of recovery in miscellaneous loadings is perhaps attributable to the unusually early decline this year in automobile production, so that the freight traffic situation is not entirely as unfavor-



Latest points: Carloadings, July; total revenues, estimate for July; operating expenses, June; net operating income, June; net income, May.

able as would appear from the loadings chart. The chart comparing car loadings with revenues, moreover, shows that the revival in coal and coke loadings has been sufficient to raise total revenues to a level indicating that the Class I roads as a whole are again at or close to the break-even point, so that with any further recovery in total loadings, some roads, as The Iron Age said, will be in a position to spend more money for equipment, maintenance and repairs.

An unfavorable aspect of the present railroad outlook, on the other hand, is the continued severity of competition from other forms of transportation. As has been observed previously in these columns, each cyclical decline in business activity in recent years has apparently been followed by inability on the part of the roads to regain traffic; when general business recovery has set in, the recovery in freight traffic has compared adversely with that of other forms of transportation, particularly motor truck transportation. It had been hoped that this tendency had about run its course, that the trucks had finally

TABLE II. PERCENTAGE CHANGES IN FREIGHT LOADINGS
(From corresponding months of previous year)

	Motor Trucks.*	Railroads.
January	-20.4	-17.4
February	-17.8	-22.5
March	-30.4	-26.4
April	-14.2	-20.1
May	-17.7	-16
June	-17.4	-27.1
July	-16.3	-27.6
August	0.8	-20.5
September	+2.1	-18.5
October	+1.5	-11.0
November	+19.4	-3.0
December	+24.8	+2.6
1939.		
January	+26.5	+6.1
February	+25.7	7.0
March	+23.4	8.7
April	+19.3	1.1
May	+32.7	+13.7
June	+26.0	+14.1
July		+12.2

*Source: American Trucking Associations, Inc.

taken away all that they could economically take away from the rails. An examination of the figures listed in Table II, however, shows that the tendency is still present; that on the recovery from the 1938 business depression the motor truck carriers gained traffic more rapidly and more promptly than the railroads. Probably there is only one solution to the problem; and it is, unfortunately, the last one that will be tried. Probably what the railroads need is complete freedom from government regulation, so that their managements can adjust rates and shipping rules freely and promptly to meet competition. The mere fact that competition is severe is ample guarantee against monopolistic practices; Federal regulation is not only no longer needed but is positively against the public interest.

D. W. ELLSWORTH.

Vol. 54
No. 1388

The ANNALIST

Reg. U. S. Pat. Off.

Aug. 24
1939

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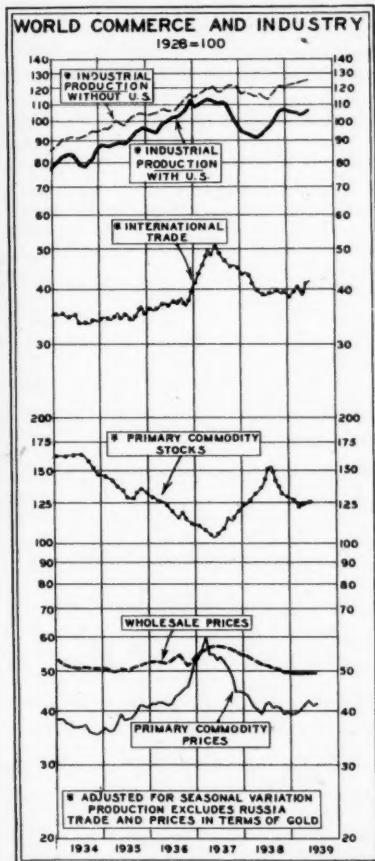
For actual markets in unlisted securities, with names of dealers, giving bid and asked prices, see Open Market Section, Page 263.

THE ANNALIST—Published Weekly by The New York Times Company, Times Square, New York City. Telephone Lackawanna 4-1000. Subscriptions may be placed at any Branch Office of The New York Times. In United States, 1 Year, \$7.00; Canada, Mexico, South and Central America (postpaid), 1 Year, \$7.50. Other countries (postpaid), \$9.00. Entered as second-class matter March 21, 1914, at the Postoffice of New York, N. Y., under Act of March 3, 1879.

On the World Economic Front: Industrial Production Abroad New High Record

THE production of guns has now become so general throughout what is euphemistically called the civilized world, that THE ANNALIST's Index of Foreign Industrial Production reached another new all-time high record in June. In that month the index, excluding the United States, reached 126.6, as compared with 125.2 in May and 115.5 in June, 1938. The June, 1939, figure represented a gain of almost 10 per cent over the level of the same month of 1938.

But the production of guns has obviously increased at a more rapid pace than the gain in THE ANNALIST's index would indicate. For this year Great Britain must be added to the small list of nations that are operating at practical capacity, and the improvement in French economic conditions has been greatest of all.



With the United States included, our index of world industrial production rose to 107.5 (preliminary) in June from 104.0 (revised) in May, and was more than 16 per cent above the 92.3 registered in the corresponding month of 1938. The recovery in America, of course, was the chief factor in the upsurge in THE ANNALIST's index, although noteworthy gains were made in the United Kingdom, France, Italy, Belgium, Sweden and Canada. Reports from the Netherlands and Germany indicate some slackening in industrial operations. Going into July and August, preliminary indications point to more than the maintenance of the June rate of activity, even though some leveling off in business might be expected because of the vacation period.

International Trade Increasing

Coincident with the gain in world industrial output international trade rose for the second successive month to 41.9 per cent of the 1928 average (on a value basis), a new high level since March, 1938. When adjusted for the price level an even more favorable picture is presented. The physical quantity of world trade during the second quarter of this year rose to the highest level since the last quarter of 1937,

By S. L. MILLER

and exceeded the volume of exchanges in every other three months' period from the third quarter of 1930 through the first quarter of 1937.

Although it has been popular to decry the increasing nationalism and the craze for economic self-sufficiency, and although all sorts of obstacles have been placed upon the free flow of international trade, if index numbers mean anything these political trends and these obstacles have not been successful in reducing the volume of international exchanges. As a matter of fact at the top of the 1937 boom world industrial production exceeded the 1929 peak by only 2.5 per cent, whereas the physical volume of world trade failed to attain the 1929 record by only eight-tenths of 1 per cent. Foreign trade evidently has been keeping pace with world industrial

production despite tariffs, quotas, exchange depreciation and restrictions, etc. Such obstacles to the free flow of international trade have been offset in part by export subsidies and bounties, exchange clearing agreements, democratic (Hull) trade treaties and authoritarian barter pacts.

The net result has been less to restrict the total volume of trade than it has been to constrict the intercountry exchange of certain categories of goods and to increase the international trade in others. Perhaps that category hardest hit has been the manufactured goods classification. Certainly the sorry experience of British export trade is evidence enough. Raw materials, on the other hand, have, in recent years, accounted for a larger and larger share of the total physical volume

of world trade. And, of course, accompanying the shift in the kinds of goods shipped there has been a change in the direction of trade—in the share of individual countries in the total.

Thus the consequence of economic nationalism has not been to diminish the actual physical quantity of international exchanges but rather to affect it qualitatively. Different commodities were exchanged in greater volume and different nations did a different proportion of world trade in the happier days. Perhaps, in fact in all probability, the quantum of international trade today might be much greater than it actually is, because certainly all those shifts noted could not

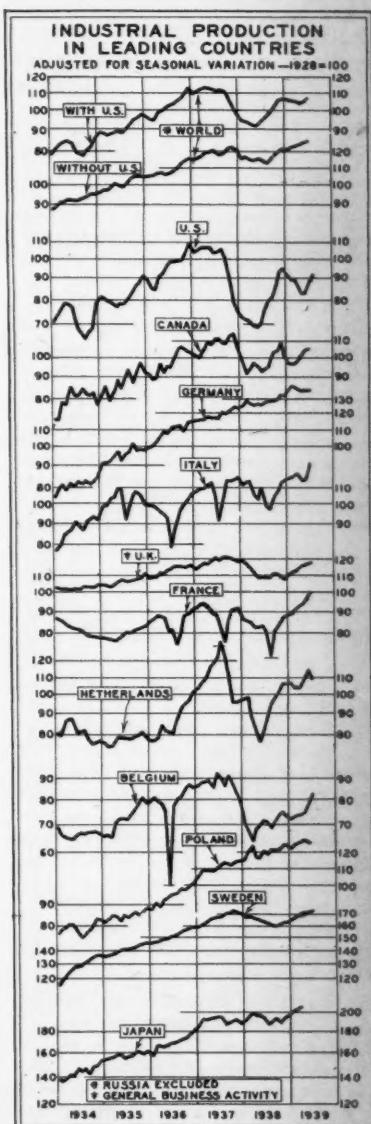


Table I. World Commerce and Industry

Unit in Millions or Base Period.	July.	June.	May.	April.	Mar.	Feb.	Jan.	Year Ago. ¹
World:								
Industrial production, adj. ²	1928	... *107.5	*104.0	103.4	105.9	105.3	107.4	92.3
Not including U. S. A.	1928	... *126.6	*125.2	124.0	123.5	122.2	121.9	115.5
International trade, adj. ³	1928	... *41.9	*41.5	38.8	40.5	39.7	*38.6	39.2
Primary commodities:								
Stocks, m. e., adj.	1928	*126.1	124.2	*124.0	123.3	124.7	127.1	138.5
Prices, m. e. ⁴	1928	*41.9	41.5	42.2	41.8	39.7	39.3	41.8
Wholesale prices ⁵	1928	*49.3	*49.9	49.5	49.2	49.3	49.4	51.4
United Kingdom:								
Business activity, adj.	1928	*118.8	*117.8	*117.2	113.0	111.9	111.4	109.8
Stock prices, m. e.	July 1, '35	*81.2	77.2	84.6	79.0	80.6	85.2	78.0
Wholesale prices	1913	*116.6	116.6	116.3	115.6	114.8	115.1	119.6
Exports	£	40.4	39.9	42.3	35.1	41.6	38.1	39.5
Imports	£	70.4	77.9	73.5	65.5	73.1	60.7	71.0
Balances of trade	£	-34.0	-38.0	-31.2	-30.4	-31.5	-22.6	-31.9
The pound	% par	*56.8	56.8	56.8	56.9	56.9	56.7	59.8
France:								
Industrial production, adj.	1928	100.0	198.0	*195.1	194.7	192.4	189.6	83.0
Stock prices, m. e.	July 1, '35	*234	229	240	228	233	219	207
Wholesale prices	1913	*678	1683	684	675	683	689	652
Exports	Franc	2884	3207	3063	3034	2890	3036	2285
Imports	Franc	3927	4072	4080	4125	3992	4519	3978
Balances of trade	Franc	-1043	-865	-1017	-1001	-1112	-1483	-1158
The franc	% par	*63.4	163.9	39.9	39.9	39.9	39.8	63.6
Germany:								
Industrial production, adj.	1928	136.4	136.8	*136.1	137.4	140.3	*138.7	125.1
Stock prices	1929	*99.8	100.8	102.6	103.5	102.9	104.8	103.9
Wholesale prices	1913	*107.0	106.8	106.5	106.4	106.6	106.5	105.6
Exports	RM	537.5	1485.3	*1437.2	480.5	411.0	*1441.1	441.0
Imports	RM	443.4	439.6	*402.5	504.2	*471.5	*472.2	485.8
Balances of trade	RM	+94.1	+45.7	+34.7	-23.7	-60.0	-31.1	-44.8
Italy:								
Industrial production, adj.	1928	127.0	*114.3	114.0	118.6	116.6	115.2	109.9
Stock prices	1929	83.5	82.3	78.3	80.4	81.1	79.2	83.1
Wholesale prices	1913	*479.9	490.6	479.0	476.0	475.3	474.7	467.8
Exports ⁶	Lira	1067.4	877.4	945.3	825.3	821.5	684.3	991.3
Imports ⁷	Lira	1141.1	896.7	834.8	879.8	816.2	705.3	1101.4
Balances of trade	Lira	-73.7	-19.3	+110.8	-56.5	+5.3	-21.0	-110.1
Japan:								
Industrial production, adj.	1928	... ...	237.6	233.6	237.2	240.3	228.4	253.6
Stock prices	Jan. '30	... ...	197.7	197.0	196.2	103.7	104.1	106.9
Wholesale prices	1913	... ...	197.7	197.0	194.6	193.6	193.3	186.0
Exports	Yen	... ...	221.9	225.8	205.7	158.8	215.0	210.0
Imports	Yen	... ...	219.5	259.9	242.3	193.6	262.5	265.0
Balances of trade	Yen	+24.0	-4.1	-36.6	-34.8	-47.5	-38.0	-49.4
The yen	% par	*32.4	32.3	32.3	32.0	32.3	32.2	34.0
Canada:								
Industrial production, adj.	1928	105.6	104.7	101.1	97.8	96.9	97.0	92.8
Stock prices	... ...	197.0	196.2	103.7	104.1	102.9	106.9	106.9
Wholesale prices	1913	*97.1	114.5	115.1	114.7	114.3	114.3	122.8
Exports: merch. only	Can. \$	77.1	80.7	50.8	58.0	58.1	70.7	66.6
Exports: non-mon. gold	Can. \$	16.2	13.3	5.0	6.0	3.6	10.3	—
Exports: including gold	Can. \$	93.3	94.0	55.8	76.1	61.7	81.0	66.7
Imports	Can. \$	62.5	72.1	41.2	57.3	39.7	43.0	47.3
Balances of trade	Can. \$	+30.8	+21.9	+14.6	+18.8	+22.0	+38.0	+19.4
The Canadian dollar	% par	*59.0	58.9	58.8	58.8	58.8	58.6	58.7
United States:								
Industrial production, adj.	1928	*92.6	*89.0	83.5	83.5	89.0	89.0	91.7
Stock prices	... ...	153.0	148.9	148.4	141.2	159.8	166.4	167.0
Wholesale prices	1913	*106.0	*108.4	109.2	110.0	110.3	110.3	113.0
Exports	\$	235.4	245.9	227.6	263.8	216.0	210.3	229.6
Imports	\$	178.4	194.2	185.8	191.3	152.5	169.3	147.8
Balances of trade	\$	+55.0	+51.7	+41.8	+72.5	+63.5	+41.0	+81.8
Industrial Production, Adj.:								
Belgium	1928	... *82.2	*78.3	*74.7	73.8	73.0	72.2	71.8
Chile	1928	... 156.7	155.3	156.0	151.3	147.3	147.3	160.7
Denmark	1928	... 147.4	151.0	154.6	163.1	159.5	159.5	130.5
Finland	1928	... 109.9	114.5	109.5	103.2	103.3	106.5	81.5
Netherlands	1928	... 146.2	147.3	144.7	140.7	141.2	140.0	—
Norway	1928	... 125.8	129.4	126.8	123.1	121.1	120.6	116.9
Poland	1928	... 172.1	171.2	169.8	168.4	165.6	165.6	—
Sweden	1928	... 172.1	171.2	169.8	168.4	165.6	165.6	—
Adj., adjusted for seasonal variation. M. e., month end. *Preliminary.								
¹ Month in previous year corresponding to most recent month shown; revised data. ² Russia excluded. ³ In gold value. ⁴ Parcell post for entire half-year included in June and December figures. ⁵ Including Austria from July, 1938. ⁶ Including Austria from April, 1938; Switzerland from October, 1938; Memelland from April, 1939; basis otherwise altered from April, 1938.								
For weekly foreign wholesale price indices, see "The Week in Commodities" section of THE ANNALIST. For weekly foreign stock price indices, see "Stock and Bond Market Averages" section. For latest industrial production indices, see "Business Statistics" section in those issues of THE ANNALIST in which the above table does not appear.								
NOTE: Back figures of all the above series, except the exports, imports and balance of trade of the individual countries, may be obtained on request from THE ANNALIST.								

have taken place without seriously disrupting the international division of labor; that is, without seriously impairing or impeding the most efficient utilization of world resources.

Wholesale Commodity Prices Again Lower

Wholesale commodity prices were again lower in July, THE ANNALIST World Composite falling slightly to 49.3, as against 49.4 in June and 51.4 in July, 1938. Declines occurred in the United States, France, Canada and Italy. Prices in the United Kingdom were steady. This was the second successive monthly decline for THE ANNALIST Wholesale Price Composite which, in July, stood at the lowest level, with the exception of April, 1939, since 1922 when the index was first computed.

Primary commodity prices at the end of last month, however, were 0.4 points

higher than at the end of June, although the Statistique Générale's weekly index averaged lower for July than for the previous month. Agricultural prices were again chiefly responsible for the reaction in the indices, with most mineral and industrial commodities either holding their own or rising. Stocks of primary commodities continued their rise in June, the latest figures available. In general the increase in stocks took place in farm commodities, with the supply of industrial materials declining.

The laggard tendencies exhibited by commodity prices is one of the economic anomalies of the current situation. Although it is relatively simple to explain the continued fall in agricultural prices in terms of oversupply, of wheat gluts and corn gluts and cotton gluts, the failure of industrial material prices to rise in any appreciable degree in face of record governmental expenditures for armaments in Europe and record-breaking demand for war goods from the Far East is not so easily accounted for.

There is probably no single explanation of this phenomenon. Among the factors responsible for this lag in the rise in commodity prices must certainly be included the disinclination of governments engaged in carrying out huge defense programs to permit any increase in the costs thereof. There is also the unmeasurable but effective influence of the authoritarian barter agreements which bring about the international exchange of a considerable quantity of goods without ever affecting the world price level. In fact these agreements have tended to keep prices down (1) because governmental subsidies have resulted in lower quotations on export goods, and (2) because the authoritarian governments have contracted to take more goods than their home markets can consume, and have therefore been compelled to dump the remainder abroad at whatever prices they can secure.

A third and equally effective factor is the obvious reluctance of most purchasing agents and industrialists to enter the forward market for materials. The memory of the ill-fated inventory boom of 1937 is still fresh in the minds of most people responsible for business decisions. The mistake of overstocking at high prices must still be a nightmare, and one not to be repeated. The current recovery in industrial operations has consequently taken place without any increase in forward buying. In fact, business revival has enabled the drawing down of much of the inventory in the hands of manufacturers and distributors at both wholesale and retail.

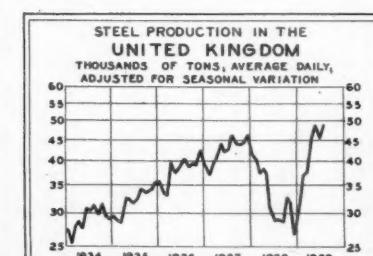
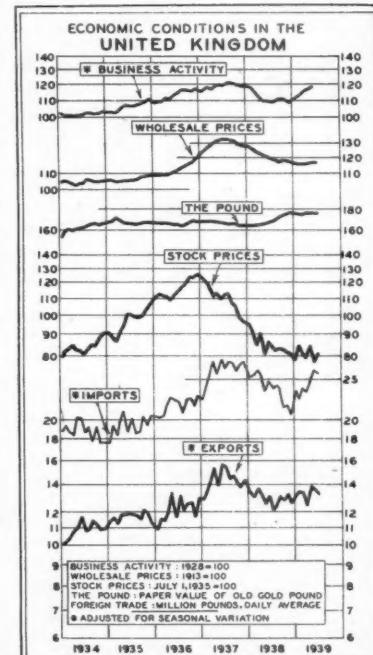
World Outlook Dependent on Solution of Danzig Situation

The world business outlook is still dependent on the world political outlook, that is, it is still dependent on the chances of staving off a general European war. Immediately, those chances are connected with a solution of the Danzig problem. The Danzig problem really is a misnomer. Germany is the problem. Germany has created the critical situation in Danzig, whose citizens had got along well enough with the Poles until the German Government had started its agitation.

Obviously with the German Government headed by the present personnel, there is only one solution that will satisfy the Nazis, and that is complete submission to their own terms. It is easy enough for a far-off observer who is in no immediate danger of having to fight for his country to say it, but it is about time some nation took up the Nazi bluff. It seemed that it was just here that the Poles held the trump card. By maintaining a firm attitude and not yielding an inch without fighting, they could have once and for all called the bluff of the arrogant Teutons. Even if the British had sold them down the river, they might have been able to

start a world war because they could have expected the aid of the Russians who certainly would not have relished a hostile German neighbor. But the sudden and sensational announcement on Tuesday of an amity pact between the Soviet and Germany immeasurably weakened the none too secure position of the Poles, as well as that of the anti-aggression front. By bringing the balance of power in Europe overwhelmingly on the side of injustice and barbarism, this alignment of nazism with communism (most intelligent conservatives have never been able to distinguish between these forms of government) may temporarily have brought peace to the Continent.

In a leading article in the July 29 issue, *The Economist* of London warns of the imminence of inflation in Britain. Defense expenditures are estimated to cost £730 millions in the current fiscal year or approximately one-half of total government expenses of about £1,425 millions (a little more than two-thirds of what the New Deal spent last year without generating anything like boom conditions). What is of particular cause for alarm is that about £500 millions are to be borrowed, with the other two-thirds to be met out of taxation. *The Economist* also points out that loans will have to be granted the British political allies, and that the London market, furthermore, will have to meet the capital requirements of other foreign countries, the Dominions, local governmental authorities and private industry, at least that part engaged in armaments work.



Since national savings are estimated at only £500 millions, the excess demand for capital funds (at least £300 millions) will have to be met out of bank credit. This in itself is inflationary inasmuch as the increased supply of money (bank deposits) will be quickly put to use, will turn over rapidly and eventually cause a rise in prices.

But just so long as there remained idle resources of capital and labor, the only effect of the government program was to

increase employment and industrial operations. At present, the idle working force is at an almost irreducible minimum (1,350,000 persons were registered unemployed in June), and *The Economist*'s index of business activity is within 2 points of the peak level of 1937. Employment now is greater than at any other time in history, indicating that the improvement that has taken place since 1938 has been not only broader than during the previous recovery, but has been most pronounced in those industries that are large employers of labor. Both production (heavy goods) and consumption goods industries have shared in this remarkable expansion in industrial operations, the increase in consumers' goods activity being a secondary consequence of heavy defense expenditure.

But defense spending in the coming few months is expected to reach mammothlike totals. This fact, together with the lack of further idle capital equipment and labor reserves, suggests that there can be very little additional growth in both consumers' and producers' goods industries, the only alternative being that of reducing consumption so as to enable the defense program to go on according to schedule. There are a number of ways in which consumption can be curtailed including increased taxation, either a sales tax or a higher income tax rate especially in the lower income brackets, direct requisitioning of supplies, direct price-fixing and allowing prices to rise, i.e., inflation.

This last method is inherently dangerous, and is really tantamount to a do-nothing policy. It is exactly this point that *The Economist* stresses. The Exchequer and other responsible government agencies have not taken any steps to solve the problem, which is growing more serious every day. Great Britain is "drifting toward inflation."

It is easy to take a too alarming view of the prospects, especially when one is right on the scene. It seems to this observer, moreover, that the danger of inflation is not as great as it appears, even if the authorities take no steps to avoid it. As the accompanying table indicates, there are still unused reserves of labor, especially in the so-called depressed areas. It is also rather difficult to imagine a sharp rise in the British price level when

TABLE II. UNEMPLOYMENT IN THE DEPRESSED AREAS
(In per cent of total labor force registered for insurance)

	May, 1939.
Northern Ireland	20.7
North-East	11.9
Scotland	15.0
North-West	15.5
Northern	17.8
Wales	20.0

June, 1939. Latest available figures show Wales at 16.5 and Northern at 14.7 per cent in June.

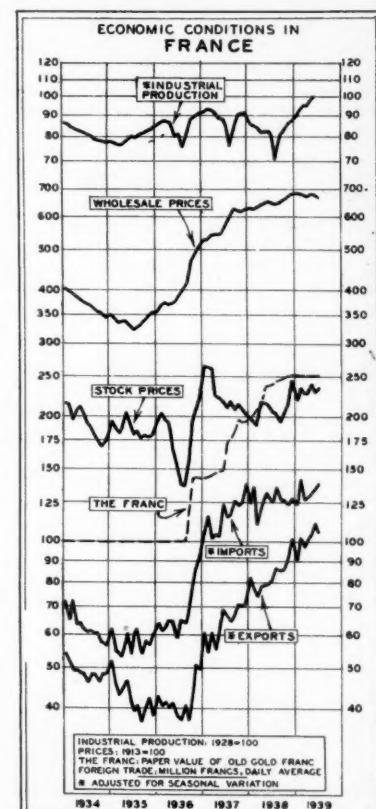
the world level has been declining so steadily and so long. There is also the saving involved in the greater installation of labor-saving machinery and other devices which tend to increase the productivity of labor that can easily be made by British industry which has not been among the first to replace obsolete equipment. There are a great many machinery manufacturers in the United States and elsewhere who would be more than glad to sell their wares to the British. The same holds true for overseas manufacturers of textiles and other consumers' goods. Finally there is always the possibility of adding women to the labor force, and of increasing working hours.

France's Economic Comeback

There is much in the economic and political history of France in the last eight months or so from which American politicians can learn. Between August, 1938, and June, 1939, industrial production in France rose more than 42 per cent from 70.3 to 100.0 per cent of the 1928 average. The Daladier government, with Paul Reynaud holding the Finance Ministry port-

folio, is chiefly responsible for this striking improvement.

This government took over in April, 1938, after two years of "reform" by the French New Dealers headed by Leon Blum. Among the first acts of the Daladier government was to modify the forty-hour week, which became eventually a forty-five-hour week with overtime at only 5 per cent more than the regular hourly rate (instead of the progressive increases formerly in force). This applied to hours of work in all private industry. In the defense industries the sixty-hour-week has become normal, with the 5 per cent overtime charge applicable to the last fifteen hours. More than any other one series of decrees, this set brought about a resurgence of confidence especially among business men and capitalists. Money hoarded abroad began to flow back to France at a more and more rapid rate. The repatriation was no little aided by a final devaluation of the franc in November, 1938, accompanied by a guarantee that the currency would be maintained at a more or less steady relationship to sterling at about 179 francs to the pound.



The return flow of currency had a very salutary effect upon the public finances enabling the government to borrow at more favorable rates and to reduce and consolidate (into longer maturities) its debt to the Bank of France. The lower interest rates were likewise beneficial to business borrowers. Thus the efficiency of French industry was increased by a real reduction in labor costs and the cost of borrowed capital.

At the same time, the export trades also began to feel the salutary effects of the stabilization of the franc. Exports in May, 1939 (after seasonal adjustment and on a per diem basis) reached the highest levels since 1930 (declining slightly in June). The tourist trade of France also improved due to the devaluation of the franc, and also thanks to the barbarism of the totalitarian governments, so that on current account the balance of payments was reversed from an import to an export balance. This development further strengthened the franc.

The improvement in French business activity has been a result of the increased confidence in the conservatism of the Daladier regime, and a result of govern-

ment orders for defense purposes. Determination of the relative importance of each is difficult. Some clue is furnished, however, by the low level of industrial activity during the tenure of the Blum Government, which went in for extensive public works projects and which at the same time did not neglect the defenses. On the other hand, the largest gains by French industry have been made in building, metallurgy, metal-working and chemicals.

At any rate, the scope of recovery is broad, enveloping both the heavy and light industries. New capital issues have increased substantially in the last few months, amounting to 681 million francs in June, 1939, as compared with 548 millions in May and 286 millions in June, 1938. Employment, furthermore, has increased rapidly, and the purchasing power so generated has made effective the comparatively high prices of farm products. Farm income in France has, therefore, likewise improved, especially since the French are self-sufficient in food produce. Enhanced national income has had the inevitable result of increasing governmental revenues, reducing the budgetary deficit, and thus government borrowing from 20.6 billion francs in the first five months of 1938 to 12.7 billions in the same period this year.

All in all the Daladier-Reynaud combination has been a very effective one. The economic position of France has improved immeasurably under their leadership. But both France and Britain have had to compromise with their democratic principles to attain their present economic status. The fault is not theirs. The foreign policy of the aggressive axis nations organized for war has forced the French and British to organize their economies for war too. This transformation has been only partly completed. Further and more energetic direction of the economic life of the individual may be expected in the near future.

Not . . . Guaranteed

By GEORGE BUCHAN ROBINSON

In the comment on the Social Security Amendments Act of 1939, the very important circumstance that the system has been made much less contributory seems to have escaped notice. Such a system is contributory to whatever extent the beneficiaries pay for it. Thus the act of 1935 was *one-half contributory*, with the employers also being taxed for *one-half*. The act of 1939 is theoretically *one-third contributory*, due to the new principle of Treasury subsidy for *one-third* of the cost. At present, however, it is only *one-sixth contributory*, due to the fact that the contributory rate is now only 1 per cent of payrolls against an accrual cost-rate of at least 6 per cent.

The business and labor groups of the Advisory Council on Social Security agreed, probably easily enough, on reducing the payroll taxes of both employer and employee by *one-third*. The council's unanimous report allocated that *one-third* of the tax burden to the public, on the ground that the public would benefit from the system, but without specifying how the public should be taxed for it. The members of the council who were appointed as representatives of the public accepted that burden for the public but did not address that important detail.

The Social Security Board supplied the detail, however. It proposed "income and inheritance taxes levied according to ability to pay." No such taxes have yet been levied because the Amendments Act adopted the theory of taxing only for cur-

National Government: Final Summary of Legislation, Seventy-sixth Congress, First Session; Part II

By KENDALL K. HOYT

WASHINGTON.

LAST week's list covered the public laws and resolutions which had been approved up to that time. Following are the remainder of the bills which became law and also the measures which did not reach final action but have gone over until next session, when all bills retain the status they had reached at adjournment. The more important items are marked with asterisks.

LAWS—Public Law No. 371 (HR7090) approved Aug 10—Amend sec 4488 Revised Statutes, merchant marine. 372 (HR7091) Aug 10—Amend sec 4471 Revised Statutes, merchant marine. 376 (HR4998) Aug 10—Amend Packers & Stockyards Act 1921. 378 (HR 6614) Aug 10—Amend Govt Losses in Shipment Act. *39 (HR 6635) Aug 10—Amend Social Security Act. 381 (S628) Aug 11—Allow HOLC extend amortization period from 15 to 25 yrs. 382 (S1708) Aug 11—Amend Employers' Liability Act. 385 (S2240) Aug 11—Natl census of housing. 386 (S2654) Aug 11—Amend sec 77 (n) Bankruptcy Act as to pay of preferred claims. 387 (S2697) Aug 11—Facilitate exchange of surplus farm products for strategic materials produced abroad. 390 (HR4108) Aug 11—Transfer U S Empl Service files and property in local offices to States. 391 (HR5129) Aug 11—Increase capacity Panama Canal. 393 (HR5681) Aug 11—Fed Surplus Commodity Corp purchase and distribute surplus fishing products. 395 (HR6266) Aug 11—Incorporates of Group Hospitalization, Inc. 396 (HR 6634) Aug 11—Amend Flood Control Act. 397 (S878) Aug 11—Ease drilling requirement, oil leasing act, to 1,000 ft depth instead of 2,000. 398 (S1802) Aug 11—Auth construct water conservancy projects in Great Plains and arid regions.

PUBLIC RESOLUTIONS—Pub. Res. No. 50 (HJR381) Aug 10—Provide for operation Adminstrative Office of the U S Courts, fiscal 1940. 51 (HJR188) Aug 11—Auth delegation of cert authority within Dept of Agri. 52 (HJR375) Aug 11—Auth sale of surplus agri commodities.

RESOLUTIONS AGREED TO—SCR24—Study profit sharing with employees. Jul 13. SRes5—Study of telegraph industry by Interstt Com Committee. Jun 19. *SRes162—Bnk & Currency Committee study monetary policy. Aug 4. *SRes128—Continue LaFollette civil liberties invstg. Aug 4. *SRes172—Continue Brown committee on taxation of govt securities and salaries thru 76th Cong. Aug 4. HCR11—Continue spec joint committee on forestry. Agreed to in Senate Jun 19. *HRea81—Continue Dies Committee invstg un-American activities. Agreed to in House Feb 9. *HRea130—House Appropriations Committee invstg WPA. Mar 27. *HRea162—Investigate salmon fisheries. Jul 17. *HRea258—Spec House committee invstg NLRB. Jul 20. *HRea277—Ways & Means Committee study tax revision. Jul 29. *HRea290—House Interstt & Forn Com Committee invstg petroleum industry. Aug 3.

VETOED—S90—Punish interstt transports stolen animals. Vetoed May 24. S1989—Alterate certain bridges over navigable waters. Pocket veto Aug 11. S2150—Amend sec 8 Clayton Act as to interlocking bank directorates. Vetoed Aug 5. SJR139—Auth interstt compacts as to fishing, Atlantic States. Pocket veto Aug 11. HR2378—Forbid export tobacco seed and plants. Vetoed Jun 5. HR3959—Auth Secy Interior dispose of recreational demonstratn projects. Pocket veto Aug 11.

HR5450—Extend time for applicata under World War Adjusted Service Compensation Oct. Pocket veto Aug 11.

HR5998—Amend act as to constructn of bridges over navigable waters. Pocket veto Aug 11.

REJECTED—S1100—Auth constructn Fla Ship Canal. Failed to pass Senate May 17. S1288—Suspens of annual assessment work on mining claims held by locatn in U S. Adversely rptd; indefinitely postponed May 19. SCR16—Disapprove govt reorg plan No. II. May 12.

HR3379—Amend Copeland Food & Drug Act. Failed to pass House Mar 20.

*HR466—Townsend old-age pension plan. Jun 1. HCR19—Disapprove govt reorg plan No. I. May 3.

FOR NEXT SESSION

PASSED BOTH HOUSES—S2009—Broaden ICC regulatin over rail, motor, and water carriers. To conference Jul 27.

HR6305—Amend sec 83 (a) Bankruptcy Act. Passed S amended Aug 3.

HR7270—Amend Bonneville Project Act. To conf Aug 3.

PASSED SENATE—S25—Prohibit interstt operatin motor vehicles by unlicensed drivers. Passed S Feb 6; to H Committee on Interstt & Forn Com.

S69—Increase continental sugar quotas. Mar 23; Agric.

S162—Label wool products to reveal substitutes. Jul 21.

S167—Amend Motor Carrier Act. Feb 2; Interstt & Forn Com.

S229—Auth withdrawal natl forest lands to protect municipal water supply. Jun 13; Agric.

S231—Auth acquisition of land adjacent to highways to preserve scenery. Jun 13; Agric.

S280—Forbid motion-picture block booking. Jul 17; Interstt & Forn Com.

S326—General Claims Convention, awards and appraisals. HRP785 Jun 20.

S478—More expeditious pays to farmers under agri programs. Jun 13; Agric.

S547—Amend sec 23 copyright law. Jun 13; Patents.

*S591—Amend Natl Housing Act to double \$300,000,000 USHA program. HRP1208 Jul 18. House refused to consider Aug 3.

S585—Create Divian of Stream Pollution, Pub Hlth Service. HRP611, May 10.

S586—Auth disability compensation employees of pub works contractors. Apr 20; Judic.

*S102—Walsh-Healy Act amendments. Jul 17; Judic.

S1275—Amend Natl Housing Act to redefine metropolitan areas in which higher limits of cost are permitted. Apr 13; Bnk & Currency. Included in S591 above.

S1318—Exclude interbank deposits from FDIC assessment base for banks. Jun 13; Bnk & Currency.

S1398—Punish espionage. Jun 30; Judic.

S1514—Reduce cotton surplus by offering 3,000,000 bales at 5¢ per lb as pay in kind for crop redctn. Apr 3; Agric.

S1610—Prevent discrimination against graduates cert law schools in govt appointments. HRP1442 Aug 2.

S1677—Suppress attempts to incite members of Army and Navy to disobedience. Jul 18; Military Aff.

S1701—Amend Sec 12B Fed Res Act. May 4; Bnk & Currency.

*S1836—Amend Bankhead-Jones Farm Tenant Act for govt-insured loans to farmers. Jul 7; Agric.

*S1869—Railroad reorganization court. May 28; Judic.

S1904—Civil Service age requirements. May 19; Civil Service.

S1955—Create post of 2nd Asst Secy of Agric. HRP1381 Jul 26.

S1985—Extend time to Jul 1 1941 for Stts to qualify for funds to make toll bridges free. Apr 13; Roads.

S2047—Divest prize-fight films of interstt character. Jun 13; Interstt & Forn Com.

S2330—Inter-American conference American republics. May 29; Forn Aff.

S2464—Profit limitatns, Navy vessels. Aug 1; Naval Aff.

S2505—Amend 15th Census Act as to apportionment of representatives. Jun 13; Census. S2635 (HR6972)—Amend Fed Crop Insurance Act. Jul 19.

S2682—Amend Fair Labor Stds Act as to Puerto Rico and Virgin Is. Aug 1; Labor.

S2681—Amend patent law, sec 4884 Revised Statutes. Aug 1.

S2689—Amend sec 33 copyright law. Aug 1; Patents.

S2695—AAA Act, marketing percentages. Jul 18.

S2709 (HR7032)—Revised Statutes, sec 190, limit operatin criminal code as to counsel in certin cases. Aug 1.

S2712—Amend sec 2803 (e) Internal Rev Code. Aug 1; Ways & Means.

*S2864 (HR7120)—Works financing (spend-lend) bill. Jul 31.

S2868 (HR7267)—Multiple-bid system for Army aircraft awards. Aug 1.

S2803—Amend Interstt Com Act. Aug 1; Interstt & Forn Com.

SJRW7—War Dept finish Passamaquoddy surveys. HRP42 Feb 15.

SJR58—ICC invstg desirability of rail rates on zone basis. Aug 1; Interstt & Forn Com.

PASSED HOUSE—HR57—Cotton net weights. Passed H June 8; to Senate Committee on Agriculture & Forestry.

HR2566—Limit authority circuit judges to hold district court and district judges to sit in circuit courts. June 5; Judic.

HR2953—Auth Stts to include their land in agreements to conserve oil and gas. SRP1903 July 24.

HR3233—Repeal certin pocket-vetoed Acts of Congress to clarify their legal status. May 15; Judic.

HR3800—Amend Soil Conservatn & Domes Allotment Act. Apr 17; Agri & Forestry.

HR4088—Extend Commodity Exchange Act

to fats and oils, cottonseed, cottonseed meal, and peanuts. July 31; Agri & Forestry.

HR4988—Amend law as to liability of carriers to employes. Jul 31; Judic.

*HR5138—Forbid attempts to overthrow govt; regulate civilian military organizations. SRP1154 Aug 5.

HR5840—Amend act to protect domestic sources of tin. May 1; Military Aff.

HR6071—Permit appeals to circuit courts in all criminal cases in certin instances. May 15; Judic.

HR6075—Punish espionage. Jun 5; Judic.

*HR6244—Rivers and harbors authorizatns. SRP1020 Jun 20.

HR6721—Permanent classificatn force, Patent Office. Jul 6; Patents.

HR6724—Deport aliens engaged in espionage. &c. SRP1918 Jul 26.

HR6882—Protect witnesses appearing before govt depts. SRP1135 Aug 3.

HR6884—Encourage travel in U. S. Jul 31.

HR7171—Amend Soil Conservatn & Domes Allotment Act. SRP1043 Aug 1.

HR7189—Research for new uses of anthracite. Jul 31.

HR7193—Prohibit use of uniforms or arms by certin organizations. Jul 31.

HR7235—Gambling ships. Aug 4.

HR7293—Amend sec 355 Revised Statutes as to legislative jurisdiction over land acquired by U. S. SRP Aug 5.

*HR7306—Neutrality Act amendments. June 30; Forn Relatns.

HJR367—Aid American republics to increase Army and Navy facilities. SRP1071 Aug 2.

REPORTED IN SENATE—S282 (Neely) Aug 3—Require Stt employees employed in connectn with Fed programs to be selected under a non-political civil-service plan.

S400 (Reynolds) SRP175 Jul 11—Protect American labor and stimulate empl of Americans on American jobs.

S517 (Johnson, Colo) SRP1330 Apr 28—Forbid advertising alcoholic beverages by radio. S795 (Pepper) SRP206 Mar 21—Educate physically handicapped children.

S915 (Logan) SRP142 May 17—Administrative law bill. Passed S Jul 18. Put back on calendar Aug 1 by motion to reconsider (HR 6324).

*S1305 (Thomas of Utah & Harrison) SRP144 Apr 3. Aid States in Public education.

S1650 (Lee) SRP141 May 17—Draft money in wartime.

S1740 (Sheppard) SRP159 Jun 29—Business research thru Commerce Dept and Stt Univ schools of business.

S1832 (Pepper) SRP153 Jun 7—Promote free flow fishery products in commerce.

S1935 (Frazier) SRP1045 Aug 1—Amend Bankruptcy Act.

*S1970 (La Follette) SRP1901 Jul 24—Eliminate oppressive labor practices.

S2110 (Andrews) SRP1672 Jun 27—Purchase of fish products by FSCC.

S2259 (Bailey) SRP1676 Jun 27—Amend laws to prevent collisions of vessels.

S2420 (Neely) SRP157 Jul 20—Coal mines, inspections and investigations.

S2510 (Pepper) SRP1026 Jul 28—Aid Stts in kindergartn educatn.

S2573 (Ellender) SRP1763 Jul 11—Amend AAA Act 1936 to regulate commerce in rice.

S2585 (Bankhead) SRP1742 Jul 11—Reimburse cotton coop assns for losses thru Fed Farm Board stabilizatn operatns.

*S2687 (Bone) SRP1748 Jul 11—Central court of patent appeals.

S2830 (Stewart) SRP1937 Jul 25—Registratn of aliens.

S2904 (Byrnes) SRP1023 Jul 28—Sale under certin conditns of farm commodities held by Commodity Credit Corp.

*SJR84 (LaFollette & others) Jul 11—Amend Constitutn for referendum on war.

SJR140 (Wiley) SRP1749 Jul 11—Amend Constitutn as to pwr of Congress to declare war.

*SJR145 (Andrews & Lodge) SRP1704 Jun 30—Amend Constitutn as to old-age assistance.

SRes74 (Gillette & Miller) SRP152 Feb 9—Create standing Senate committee on civil aviation.

SRes107 (George) Mar 31—Oppose sales of American cotton abroad at less than cost of production.

REPORTED IN HOUSE—HR6324 (Walter) HRP1149 Jul 13—Administrative law bill. (S915).

*HR6406 (Mrs Norton) HRP1376 Jul 27—Amend Fair Labor Stds Act.

*HR6971 (Steagall) HRP1933 Jun 23—Amend Fed Home Loan Bank Act and HOLC Act for central mortgage discount set-up &c.

HR6972 (Fulmer) HRP1207 Jul 18—Amend Fed Crop Insurance Act. (S2635).

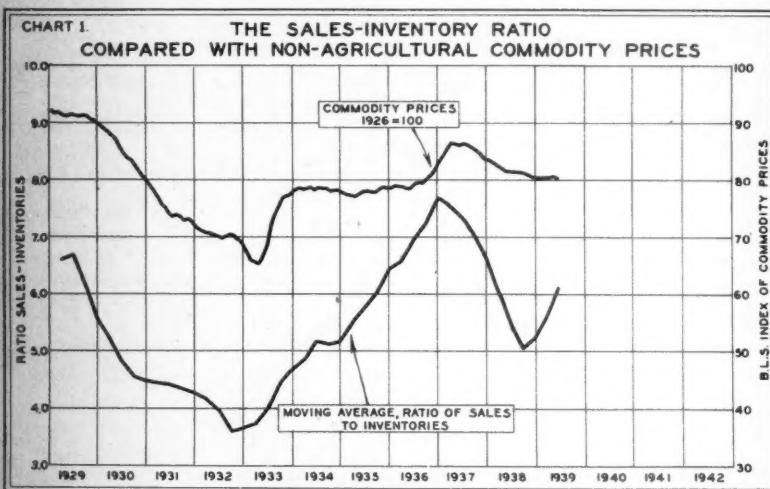
HR7032 (Nelson) HRP1417 Jul 29—Limit operatin criminal code as to counsel in certin cases.

*HR7120 (Steagall) HRP1421 Jul 31—Works

Continued on Page 260

Continued on Page 260

Further Rise in Sales-Inventory Ratio May Forecast Higher Commodity Prices



By ROBERT S. DRISCOLL

THE rise in the ratio of sales to inventory of thirty-eight manufacturing companies continued during the June quarter of 1939. The improvement, which has now extended through three quarters, moved the composite ratio line from 5.656 to 6.112 (see Chart I). This is an indication that the inventory of manufacturing companies is being turned over at an increasingly rapid rate.

Since the first of the year this ratio line has been presented as a forecast of the long-term trend of industrial commodity prices. The increase in the rate of inventory turnover indicates the end of the cyclical decline in the prices of this type of commodity and forecasts an eventual cyclical rise in industrial prices.

So far, the first half of this prediction has been fulfilled. The cyclical decline in industrial commodity prices has been arrested. The Bureau of Labor Statistics index of all commodities other than farm products and foods has not moved lower than the 80.2 registered in January of 1939. This fact has sometimes escaped notice because of the sharp declines in the prices of farm products and foods. To avoid this confusion there is listed in Table I the changes in the level of these three indices between January and June of 1939.

TABLE I. BUREAU OF LABOR STATISTICS WHOLESALE PRICE INDICES

	June, 1939.	Jan., 1939.	P. C. Chge.
All commodities other than			
farm products and foods	80.2	80.2	
Farm products	62.4	67.2	-7.14
Food products	67.6	71.5	-5.45

Thus it can be seen that the manufacturer could have bought commodities during the first half of 1939 without experiencing disastrous price changes.

Firm though industrial commodity prices have been, there has as yet been no indication of a strong upward movement in prices. This has been a disappointment to some analysts, though the sales and inventory figures used to prepare this article indicate that no greater strength in prices could be expected at this point in the business recovery movement.

As has been pointed out in previous articles, the sales-inventory ratio line usually turns some months in advance of commodity prices. This lead gives the ratio line its value as a forecast of the rise and fall of commodity prices.

It is important to understand why this lead occurs. The explanation lies in the action of sales and inventory during the business cycle. Chart II accompanying this article contains the basic sales and inventory figures from which the ratio

line is derived. This chart covers a very short period from March, 1935, to June, 1939. Information for prior years, however, although it is not on a comparable basis, indicates that this analysis is theoretically sound as well as empirically accurate for the period covered. If the student of sales and inventory waited until he had completely adequate data on his subject, it would be many years before any usable information would be available to business.

Chart II shows that the four-quarter moving average of sales again rose in the June quarter. The four-quarter moving average of inventory, however, continued the decline which started in March of 1938. The divergence in the trend of these two lines means, in effect, that part of the increase in sales was supplied by the depletion of inventory rather than by purchase of additional industrial commodities.

During this time the total demand for primary producers' stocks, because of the reduction in inventory, has been less than the volume of sales during the period might indicate.

This is a different condition from that which began in 1935 and continued through 1937, when both sales and inventories were advancing continuously. Aside from the effect of price changes on dollar sales and inventory, the total demand for primary producers' stocks during that period was measured by the amount of raw materials necessary to produce the given sales volume plus the additions made to manufacturers' inventory. Both rising sales and rising inventories contributed to the demand for industrial commodities with the result that commodity prices were strong.

As has been pointed out in two previous articles, the rate of increase in inventory as compared with the rate of increase in sales is also an important determinant of the long-term trend of commodity prices. Thus when inventory was built up at a rapidly increased rate in the first part of 1937 and sales advanced only moderately, excess inventory was swiftly accumulated, as the sales-inventory ratio line indicated in March of 1937. This condition was not universally understood until later in the year and no start was made in reduction of inventory until 1938. During this pe-

riod the movements of sales and inventories, on a seasonally adjusted basis, during the period from March, 1935, to June, 1939, can be divided into five distinct phases:

1. 1935-1936, when steadily rising sales were accompanied by moderately rising inventory and commodity prices were strong.

2. 1937, when rapidly rising inventory, accompanied by moderately rising sales, indicated the top of commodity price movements and the beginning of the decline.

3. March-September, 1938, when sales fell sharply, inventory was depleted relatively slowly and commodity prices continued to decline.

4. December quarter, 1938, when sales fell moderately and inventory declined more sharply, indicating that the end of the drop in commodity prices was near.

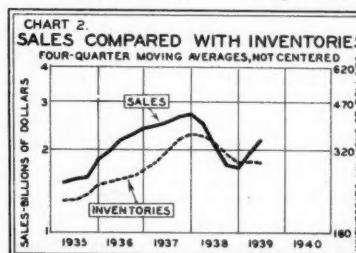
5. 1939, when sales began to increase but inventory continued to decline. During this period the fall in commodities stopped and firm prices again appeared.

From this analysis it can be seen that greater strength in industrial commodities can be expected when depletion of inventory has run its course. When this will occur is difficult to determine exactly. The figures shown in Table II, however, indicate that inventory depletion and sales improvement are operating to restore the turnover ratio to the level of more prosperous times.

TABLE II. INDEX OF SALES AND INVENTORIES AND COMPOSITE SALES INVENTORY RATIOS OF 24 MANUFACTURING COMPANIES (June Quarter of 1936=100)

June Quarter.	Sales.	Inven-	Ratios.
1936	100.0	100.0	1.797
1937	137.9	154.0	1.601
1938	83.5	141.7	1.054
1939	112.9	124.0	1.546

It seems reasonable to expect that there will be no immediate cyclical decline from existing levels of non-agricultural commodity prices. Continued business recovery during the latter half of 1939 should usher in a period of rising sales and moderately rising inventory together with higher commodity prices.



period, prices started a long decline which continued until the end of 1938, ending only when sales started upward again during 1939.

Kinds of Life Insurance: Modified Life, Limited Payment, Endowment and Single Premium

This is the fifth of a series of articles on the principles of life insurance from the standpoint of the buyer or investor.

IN recent years, in an effort to meet changing economic conditions, various combinations of term insurance and ordinary life insurance have been worked out by the life insurance company actuaries. These modified forms, given different names by the companies sponsoring them, have met with popular approval, as they fill a very definite need.

The modified forms must not be confused with family income and family maintenance contracts, for they are entirely different, as there is no reduction in the amount of insurance in the future.

In the first year almost all of the policies are made up of term insurance which, in subsequent years—usually a period from three to a maximum of eleven years, is automatically converted to ordinary life insurance. Each year a part of the term insurance is converted until the conversion of all of the term insurance is completed. Each year's conversion is made at the attained age of the insured.

When the conversion takes place gradually over a period, as is done in most instances, the premium rate is increased each year until the conversion is completed, at which time the premium be-

comes "level" and remains so thereafter, subject, of course, to dividends, if any.

There are other forms of modified insurance which have a level premium for a specified number of years, usually three to five years, after which there is a jump in premium rate. On five-year period policies, the initial rate is usually doubled (subject to dividend reduction) beginning with the sixth year. These policies usually have a cash-surrender and loan value during the third year and thereafter, but due to the low premium charged in the early years, the cash and paid-up values are, of necessity, exceedingly small.

Limited Payment Policies

Under this heading come all policies of life insurance, basically ordinary life, on which only a stated or limited number of yearly premium payments are required to complete the policy and make it fully paid up (premiums stop, of course, in the event of death of the insured).

The most popular form is the twenty payment life plan. But many other forms are available covering various periods from ten to fifty years. At the expiration of the specified number of premium payments, the reserve is sufficient with the interest earned on it to maintain the insurance in force for the balance of the lifetime of the insured. If the insured

should live to age 96, the company will pay the face of the policy to him in cash; the reserve will then equal the face amount of the policy.

Of necessity, the premium payments required for limited payment life policies are higher than for those on the ordinary life plan, as a larger reserve fund is necessary.

All premium payments cease at the end of a certain number of years (as stipulated in the policy). At that time the reserve fund alone must be sufficient to carry the policy, without the addition of any yearly premium.

For that reason the reserve must be built up during the premium paying years, in order that at the guaranteed rate of interest provided in the policy, the interest earned will maintain the insurance in force. In turn, the cash surrender or loan value and paid-up values are higher than those under the ordinary life plan. This type was evolved for persons who want to make all their payments on their life insurance before they reach a certain age and pay no more for the balance of their lives.

As each year goes by after the policy has become fully paid up the cash and loan values are automatically increased

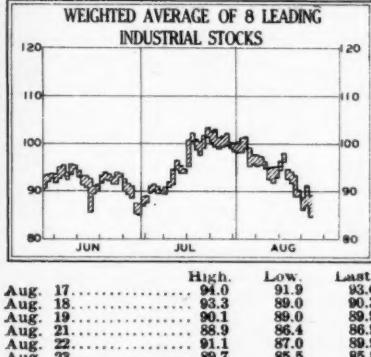
Continued on Page 260

Financial Markets: Prices Agitated by Inconsonant Changes in European News

STOCK prices have declined during the past week as a result of unfavorable European news. Thus far the decline has brought out only a moderate volume of stock. For once the English market is inclined to take the situation more seriously than our own.

Prices moved in a narrow range last Thursday. Friday morning stocks began to move downward at a moderately rapid pace. The decline continued with practically no interruption until Monday afternoon, when a moderate rally developed. The news that Germany and Russia were about to sign non-aggression agreement, very curiously, did not produce a decline the next day, but, on the contrary, was followed by an advance. On Wednesday, however, prices declined moderately. Most stocks closed the week at moderate losses.

The most substantial losses during the week were in the steel stocks, Westinghouse Electric, Union Carbide, American Can, United States Rubber, Goodyear, Western Union, Union Pacific, Atchison, American Car and Foundry and Johns-Manville. General Motors, du Pont, General Electric, Continental Can, Sears Roebuck, Penney, General Foods, National Biscuit, Corn Products Refining and the tobacco stocks have held up rather better than the rest of the market.



The week's decline has been largely the result of further unsettlement abroad. The news of the Russian agreement with Germany and further German demands on Poland have naturally increased fear that a general war would develop. The precise meaning of the Russian agreement is difficult to determine. On the basis of the first reports Wall Street believed that the agreement amounted to a Russian declaration of a hands-off policy so far as any German aggression against the countries immediately west of her borders was concerned. Later reports, however, suggested that the agreement was less important than was at first reported. By this time, however, a further unsettlement entered the situation in the shape of Hitler's additional demands on Poland amounting to the threat of partition.

Domestic business news has been reasonably satisfactory. A number of fairly favorable earnings reports have been published. The position of the steel industry continues strong. Motor production is expected to show a sharp advance during

the next several weeks and many investors are counting upon this to produce a further gain in general business activity. It is believed that, unless European events prevent, retail sales of automobiles are likely to be fairly heavy during the Fall months.

The oil industry, which had provided some rather unfavorable reports during several preceding weeks, offered some hope of improvement last week as widespread shutdowns brought strengthening gasoline prices in some sections of the country and a material reduction in crude production. Sentiment in the trade ap-

pears therefore to have responded to the measures which have been taken to relieve the maladjustments in the oil industry.

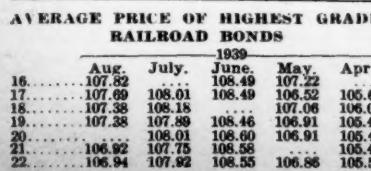
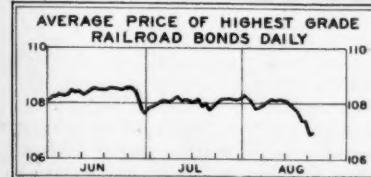
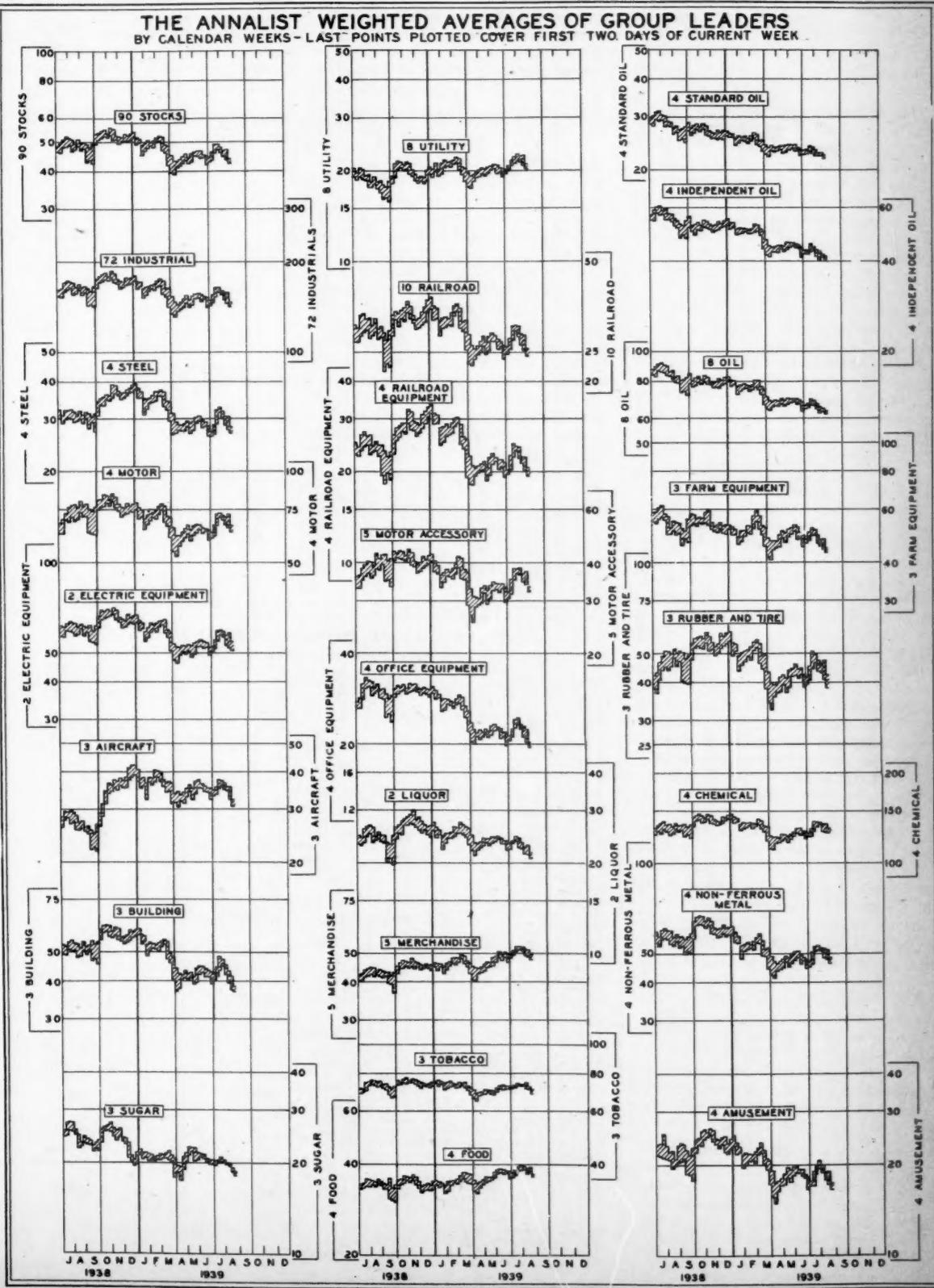
The ability of many corporations to show fairly good earnings during the first half of the year encourages the belief that a further expansion in business activity would bring many companies up to a fairly satisfactory earnings level. The first half of 1939 was by no means a favorable period, since business was unsettled by European crises in January and in April. In the second quarter the coal strike and unfavorable weather had a depressing ef-

fect. With reasonably good fortune general business should average appreciably better during the second half of the year and 1939 earnings consequently will probably in most cases show good gains over 1938.

Thus far most stocks have held at or above the low points reached at the close of June. In a few cases, however, these levels have been penetrated. This fact and the fairly light volume of trading on the decline indicated that the market is in a fairly strong technical position.

The English market has declined more substantially during the past week. Wheat prices have also advanced in Liverpool. It is evident that the English markets are taking the situation more seriously than they have up to now.

M. C.



The Week in Commodities: Some Items Improve but Index Again Hits New Low

WHOLESALE commodity prices declined again last week with The Annalist Index closing at 75.1 on Aug. 19, the lowest point since May, 1934. A week ago prices stood at 75.3 per cent of the 1926 base while on Aug. 20, 1938, they were 79.9.

Livestock prices were generally lower last week, although hogs were an important exception. Wheat improved on darkening war clouds in Europe and an improved export demand. Corn did little. Cotton was under pressure, but other textile items were firm. Rubber was an exception to the general trend as prices rose to the highest level in many months.

DAILY COMMODITY PRICES

	Cotton.	Wheat.	Corn.	Hogs.	Futures.	Spot	Index.	Index.
Aug. 14	8.93	.82%	.59%	5.80	47.23	138.6		
Aug. 15	8.96	.82%	.58%	5.74	47.05	138.4		
Aug. 16	8.90	.83%	.59%	5.84	47.16	138.8		
Aug. 17	8.91	.83%	.58%	5.97	47.19	139.4		
Aug. 18	8.95	.83%	.58%	6.14	47.06	140.2		
Aug. 19	8.91	.84%	.59%					

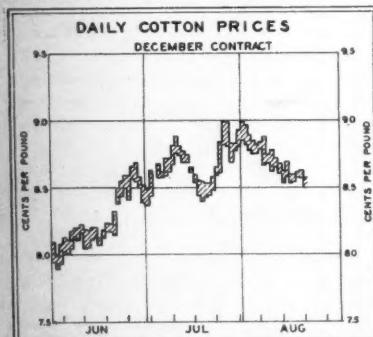
For descriptions of commodities see THE ANNALIST of July 18, 1939.

COTTON

That it takes more than a fat export subsidy to support cotton prices was amply proved last week when quotations fell to the lowest level in almost four months. At Saturday's close, the average price at ten designated markets was only 8.91 cents per pound as compared with 9 cents the previous week and the 1939 high of 9.60 cents.

That cotton should decline so sharply in the face of all government efforts to support prices is most certainly a score for those who have been against Federal "meddling" in agriculture.

Future contracts did much better than the spot commodity with prices holding in a narrow range all week and showing but minor changes at the close of the week. Prices declined on Monday.



The New York Cotton Exchange began trading last week in a new cotton contract that has 15/16 inch middling fiber as a base instead of 1/2 inch middling. The old type futures will cease with the July, 1940, delivery. Since the new options cover a better grade of staple they naturally sell higher. Opening quotations were about 13 points higher, which is in line with prices in the spot markets.

We, of course, are quoting the new contracts in our commodity futures table.

WEEKLY FOREIGN WHOLESALE PRICE INDICES

(Measured in currency of country; 22 primary commodities in term of gold)

Day	Canada.	U.K.	France.	many.	Italy.	Rites.	Primary C'mod-	Compiled—Fri.	Sat.	Sat.	Wed.	Thurs.	Sat.
Wk. Ended—1939:													
July 1.	73.3	70.7	685	106.8	481.5	41.5							
July 8.	73.2	70.6	687	106.8	479.3	41.4							
July 15.	72.8	70.4	680	106.9	478.5	41.1							
July 22.	72.5	70.6	681	107.1	479.3	41.5							
July 29.	72.1	70.5	680	107.2	479.3	41.5							
Aug. 5.	72.3	70.5	674	107.4	479.3	41.5							
Aug. 12.	72.1	70.7	673	107.4	479.3	41.5							

For sources of data see THE ANNALIST of July 6, 1939.

Last week the Department of Agriculture announced that 608,000 bales of cotton were shipped or sold for export in the first two weeks of this month. This total represents a gain of more than 500,000 bales as compared with the corresponding

weeks of last year. In spite of this huge gain, the figure announced by the government was in line with trade expectations.

It is well to bear in mind that exports from this point forward will not show such gains. Prior to the beginning of subsidized cotton exports, foreign purchases had declined to practically nothing since almost all foreign buyers were aware that a subsidy was "in the wind." Naturally enough, a large demand was built up which was promptly satisfied when the export subsidy actually went into effect.

From now on, indeed, it would not be surprising to see cotton exports fall to a very low level again because of the uncertainty concerning the subsidy rates. If foreign buyers believe—and it seems they feel that way now—that the rate may be increased they will naturally refrain from

buying. Until some official announcement is made, therefore, cotton exports may run at a small figure, export subsidy or no.

The cotton trade believes that exports for this season will be about 5,300,000 bales, a gain of almost 60 per cent compared with 3,362,000 bales shipped abroad last season. Since the 1938-39 figure was the smallest in sixty years, though, anticipated exports for this season make a very poor showing compared with other years. In the year ended July 31, 1936, we shipped 6,040,000 bales to foreign lands while in the year ended July 31, 1932—a period of severe depression—we sold 8,754,000 bales to foreign buyers.

Last week the Commodity Credit Corporation took title to about 1,670,000 bales of 1934 crop cotton upon which loans were

in default. While the government announced that this fibre would be used to make shipments under the Cotton-Rubber Barter agreement with England, trade authorities were quick to point out that most of the cotton taken over was of poor grade and could not be exported to Great Britain.

On Sept. 1, according to present plans, the government will take title to an additional 5,270,000 bales of 1937 crop cotton, thus giving the United States taxpayers the doubtful distinction of being the largest world's owners of cotton.

Based on present market prices, the 6,940,000 bales are worth more than \$300,000,000. This would be cheerful enough if there were any indication whatsoever that even half that price could be obtained. Certainly, any attempt at liquidation—no matter how secretive—would bring about a collapse in cotton prices.

MOVEMENT OF AMERICAN COTTON

(Thousands of running bales; as reported by the New York Cotton Exchange)

	Wk Ending Thursday	Aug. 12, 1939	Aug. 18, 1939	Chg.	1938.	P. C.
Movement Into Sight:						
During week ...	135	144	125	+ 8.0		
Since Aug. 1 ...	380	380	247	+ 53.8		
Deliveries During Week:						
To domestic mills ...	74	89	78	- 5.1		
To foreign mills ...	44	52	58	- 24.1		
To all mills ...	118	141	136	- 13.2		
Deliveries Since Aug. 1:						
To domestic mills ...	223	223	174	+ 28.2		
To foreign mills ...	122	122	163	- 25.2		
To all mills ...	345	345	337	+ 2.4		
Exports:						
During week ...	48	56	59	- 18.6		
Since Aug. 1 ...	118	118	134	- 11.9		

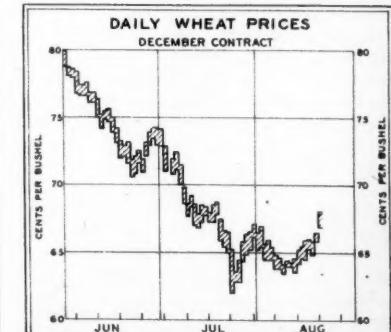
	World Visible Supply (Thursday):
World total ...	4,825
Week's change ...	-17
U. S. A. only ...	4,356
1939.	4,806
1938.	5,545
P. C.	-13.0

Mill conditions remain unusually favorable. Not only has mill activity held at a high rate but profit margins have been widening steadily in recent weeks. Last week, cloth prices edged forward in some lines and held firm in others, despite the weakness in raw cotton prices. Should present profit margin be maintained for the remainder of the year, some cotton mills will make a great deal of money in 1939.

THE GRAINS

War drums were pounded again last week but without much effect on the wheat market. Prices rose 1% to 2½ cents a bushel, but such gains are rather small as compared with the 7-cent rise shown last September, when the wheat pits got first taste of a war scare.

Prices rose more than 2 cents a bushel on Monday, but lost all gains on Tuesday as war fears eased.



Even more discouraging to the bulls was the fact that volume of trading last week declined to the lowest levels in almost six months. That a severe crisis in Europe brought so little buying into the wheat pits can only be explained in the fact that world supplies are so large that even a war would be of little help marketwise.

Chicago observers are looking toward the loan to support wheat prices. According to trade reports, much wheat in the Northwest is going into the government

SPOT PRICES OF IMPORTANT COMMODITIES

(New York Prices Except as Noted)

	Farm Products.	Food Products.	Textile Products.	Fuels.	Metals.	Building Materials.	Chemicals.	Miscellaneous.	All Com-modities.
Aug. 20, 1938.	75.8	71.8	58.4	85.8	96.5	69.1	87.1	71.6	79.9
1939.									
July 1.	72.0	66.5	61.9	83.1	95.1	71.1	85.4	69.6	77.1
July 8.	72.4	67.1	62.3	83.1	95.3	71.0	85.2	68.7	77.4
July 15.	71.2	65.6	62.7	83.1	95.3	71.0	85.2	68.9	76.6
July 22.	69.5	65.2	63.1	83.1	95.3	71.0	85.2	69.0	76.1
July 29.	69.6	65.1	63.0	83.1	95.4	71.0	85.2	68.9	76.3
Aug. 5.	68.5	64.1	62.8	83.1	95.7	71.0	85.2	69.0	75.7
Aug. 12.	67.6	63.7	63.0	83.3	95.7	70.9	85.1	68.9	75.3
Aug. 19.	67.2	63.5	63.2	83.0	95.7	70.9	85.1	69.0	75.1
Percentage changes for week from:									
Last week ...	-0.6	-0.3	+ 0.3	-0.4	0.0	0.0	0.0	+ 0.1	+ 0.3
Last year ...	-11.3	-11.6	+ 8.2	-3.3	-0.8	+ 2.6	-2.3	-3.6	-6.0

For figures for Jan. 5, 1937, to June 24, 1939, see the issue of July 6, 1939. Back figures for 1936 and earlier years are given in descriptive folder, obtainable on request.

THE ANNALIST WEEKLY INDEX OF WHOLESALE COMMODITY PRICES (1926=100)

(Source: Commodity Credit Corporation)

Aug. 19, 1939. 100.00

Aug. 12, 1939. 98.78

Aug. 20, 1938. 100.00

Aug. 20, 1937. 100.00

Aug. 20, 1936. 100.00

Aug. 20, 1935. 100.00

Aug. 20, 1934. 100.00

Aug. 20, 1933. 100.00

Aug. 20, 1932. 100.00

Aug. 20, 1931. 100.00

Aug. 20, 1930. 100.00

Aug. 20, 1929. 100.00

Aug. 20, 1928. 100.00

Aug. 20, 1927. 100.00

Aug. 20, 1926. 100.00

Aug. 20, 1925. 100.00

Aug. 20, 1924. 100.00

Aug. 20, 1923. 100.00

Aug. 20, 1922. 100.00

Aug. 20, 1921. 100.00

Aug. 20, 1920. 100.00

Aug. 20, 1919. 100.00

Aug. 20, 1918. 100.00

Aug. 20, 1917. 100.00

Aug. 20, 1916. 100.00

Aug. 20, 1915. 100.00

Aug. 20, 1914. 100.00

Aug. 20, 1913. 100.00

Aug. 20, 1912. 100.00

Aug. 20, 1911. 100.00

Aug. 20, 1910. 100.00

Aug. 20, 1909. 100.00

Aug. 20, 1908. 100.00

Aug. 20, 1907. 100.00

Aug. 20, 1906. 100.00

Aug. 20, 1

Canadian Business Activity Continues Slow Recovery; Automobile Industry Lags

VERY little in the way of important developments has occurred to change the Canadian business picture. THE ANNALIST's index for July should more or less approximate the June figure. It is also rather difficult to determine which nation, Great Britain or the United States, is currently exercising the greater influence over the Canadian economy. If one could be sure that it was England, he could more confidently predict a favorable outlook for Canadian business. For American trade prospects, although they promise some further recovery in the next four months (perhaps as much as 10 points in any representative American business index), do not appear boom-like as do the British.

At any rate, the European situation is still the factor dominating the course of economic activity and of the financial markets. This author's guess as to the probable outcome of the Danzig situation is that Germany will get what it wants without war. The financial markets evidently have not taken this view, for gilt-edged securities have continued their gradual decline. Stock prices have likewise been reactionary.

THE ANNALIST INDEX OF CANADIAN BUSINESS ACTIVITY

(Adjusted for seasonal variation and long-time trend)		
	July. 1939.	June. 1939.
Freight car loadings	59.6	60.6
Electric power prod.	89.3	82.5
Automobile production	51.6	60.8
Newspaper production	66.5	61.8
Steel ingot production	93.5	70.9
Pig iron production	66.5	65.9
Copper exports	129.1	154.1
Nickel exports	11.9	110.9
Coal production	98.3	78.1
Rubber imports	44.5	51.3
Cotton imports	195.3	104.8
Flour production	96.6	64.5
Cattle slaughtered	113.9	113.9
Hogs slaughtered	125.1	104.3
Board and plank exp.	111.8	93.4
Building permits	26.1	25.3
Combined Index	79.9	70.8

One of the real economic anomalies of the current situation has been the downward course of commodity prices. On Aug. 11 the index of the Dominion Bureau of Statistics fell back to the level of July 28, that is, from 72.3 per cent of the 1926 average on Aug. 4 to 72.1 in the following week. The index on the corresponding day of last year stood at 76.6. It is worthy of note that the components to show the largest losses over last year's prices are vegetable products and animal products, with declines of about 15 and 8 per cent, respectively. An index of Canadian farm products reacted to a new low level last week to approximately 5 per cent below the figure for the corresponding week of 1938.

The weakness in farm prices is clearly a case of oversupply. On July 31, for instance, total stocks of wheat in Canada were 95 million bushels, compared with 23.6 million a year earlier. For oats stocks on the same dates were 48.8 and 19.5 million bushels, for barley, 12.9 and 6.4 millions and for rye, 2 and 1 million bushels.

The comparatively low level of the prices of industrial materials, however, is

The Aug. 15 crop report of the Dominion Bureau of Statistics generally indicated fair haying and harvesting conditions. Whatever there was in the way of rain aided only the late-sown crops. This was especially true in Ontario, Saskatchewan and Alberta. Cooler weather in the Prairie Provinces brought some relief to crops, but toward the end of the week high temperatures and further crop damage were reported. Prospects for good field and

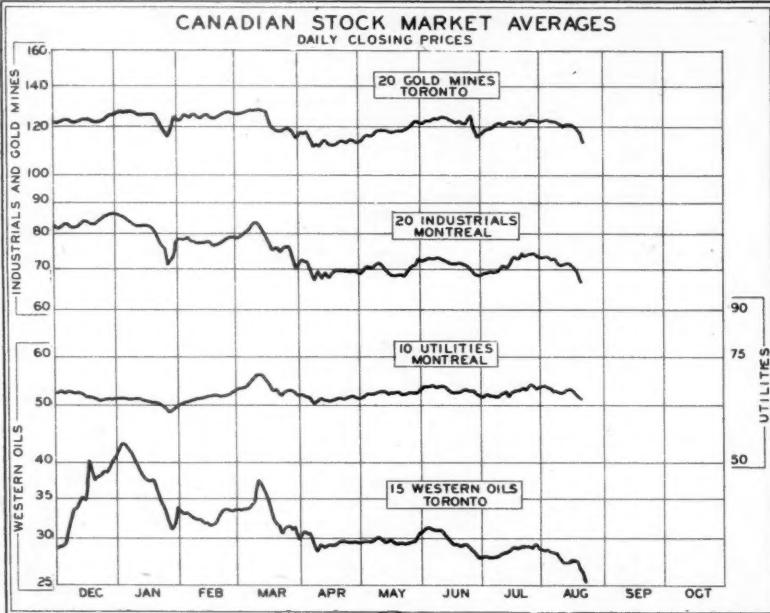
the July 31 condition is still 7 points above that of last year. Similar trends were noted in the coarse grains and in other field crops the conditions of which declined in July and were at approximately the same level (in most cases slightly higher) as last year. Evidently current crops are going to be larger than they were last year. On the basis of current prices and crop prospects, farm income from marketings should approximate that of 1938, or even show some slight improvement.

In the week ended Aug. 12, freight traffic of the Canadian railroads fell off less than seasonally so that the Dominion Bureau's index of carloadings, adjusted for seasonal variation, rose to 76.85 per cent of the 1926 average, as compared with 76.70 in the previous week and 72.45 in the week ended Aug. 13, 1938. The carloadings index is now almost 3 points below the mid-July peak, thanks largely to a decline in grain shipments from the Western Provinces.

FREIGHT CARLOADINGS

	Week Ended	
Aug. 12, 1939.	Aug. 5, 1938.	
1939.	1938.	
Grain and products	5,052	4,870
Livestock	1,274	1,280
Coal	5,079	5,177
Coke	294	323
Lumber	2,258	2,265
Pulpwood	856	877
Pulp and paper	1,621	1,698
Other forest products	1,562	1,606
Ore	3,216	2,856
L. c. l. merchandise	11,797	12,614
Miscellaneous	11,045	11,754
Total	44,054	45,320
	43,561	

The carloadings figures are at present the best weekly statistical indicator of the state of business. The adjusted index has increased steadily since the second week of December, 1938, although the fluctuations from week to week have been



not so easily explained, for generally there has been no overstocking, and inventories in the hands of manufacturers and producers (of industrial raw materials) are relatively low. Demand, furthermore, has increased substantially as a result of increased industrial operations in the States and Europe during the past year.

But the general price level can continue to decline even after business activity has risen considerably. At least, that has been the experience of the United States during 1921-22. During that period, wholesale commodity prices continued to recede for about a year after industrial production had turned up. The 1937 price and inventory boom, however, was not as great as that during and after the World War.

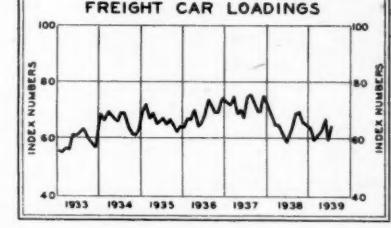
fruit and vegetable crops are bright in the Maritime Provinces.

The Dominion Bureau also reported that on July 31 the Spring wheat crop was 89

WHOLESALE COMMODITY PRICES

	Aug. 11, 1939.	Aug. 4, 1939.	Aug. 12, 1938.
All commodities	72.1	72.3	76.6
Vegetable products	58.5	58.9	69.1
Animal products	70.3	70.4	76.2
Textile products	66.2	66.2	67.0
Wood and paper	77.0	77.0	76.6
Iron products	97.4	97.4	97.7
Nonferrous metals	69.7	69.8	70.3
Nonmetallic minerals	84.7	84.7	86.6
Chemicals	77.6	77.6	79.4

per cent of the long-time average yield per acre. Although deterioration has been substantial, 13 points since June 30 when the yield was 102 per cent of the average,



erratic. The usual seasonal bulge in loadings lasts from the middle of August through October, so that the figures in the coming weeks should tell an interesting story as to whether the recent improvement in loadings over a year ago will be maintained, and whether the ex-

Week Ended

Transactions on the Montreal Exchange

Saturday, Aug. 19

STOCK EXCHANGE STOCKS	STOCK EXCHANGE STOCKS	STOCK EXCHANGE STOCKS	CURB MARKET STOCKS	CURB MARKET STOCKS	CURB MARKET MINING STOCKS
Sales. High. Low. Last.	Sales. High. Low. Last.	Sales. High. Low. Last.	Sales. High. Low. Last.	Sales. High. Low. Last.	Sales. High. Low. Last.
10 AP. Grain. 24/4 24/4	35 Dom. Store. 5/4 5/4 5/4	920 N. Stl. Car. 49 47 47	2,690 Abitibi. 1.05 .85 1.00	5 Fraser. 6/4 6/4 6/4	872 Dome. 33% 33% 33%
125 Agnew xtd. 10 94 94	175 Dom. Tar. 5 4% 4%	100 Nia. Wire. 17/4 17 17	1,436 Abt. 6pf. 6/4 4% 4%	720 Fraser. 9 8 8	8,750 Duparq. 0.2% .02 0.2%
75 Algoma 10/4 10 10	35 Domtar pf ss 88 88	3,745 Noranda. 83 80% 80%	10 Abt. 7 pf. 6/4 6% 6/2	20 InterCity. 32 32 32	4,575 East. Ma. 2.70 2.50 2.45
250 Am. El. 100 80 80	180 Can. Tex. 68 68 68%	700 Electro. 20/4 20/4 20/4	235 Aluminum. 124 115 115	100 Int. Ut. B. .45 .45 .45	5,150 Eldorado. 1.12 .95 .95
155 AngloFei pf 48/4 48/4 48/4	160 Dom. Text. 161 161 161	5 Ott. Elec. Ry. 4 4	50 Bathurst B. 2 2 2	27 LakeStJohn. 10 10 10	175 Fal. Nickel. 5% 5% 5%
1,747 Brew. 17 17 17	180 Electro. Xd. 100 100 100	50 Ott. Pow. pf. 100 100 100	1,854 Beauharn. 4% 4% 4%	50 Lake Sulph. 3% 3% 3%	26,300 Francoeur. .60 .34 .30
225 A. Brew. 17 17 17	185 Enam. Xd. 1.10 1.10 1.10	50 Ott. Pow. pf. 100 100 100	5 Brk. Dist. 4% 4% 4%	35 Loblaw. 26/4 26/4 26/4	16,500 Joliet-Que. .05% .04 .04
5 A. Brew pf. 112/4 112/4 112/4	206 Fam. Play. 23/4 23/4 23/4	510 Pow. Corp. 10 9% 9%	913 BA Oil. 21% 21 21	150 M'Kenzie Ar. 1/2 1/2 1/2	705 Lk. Shore. 40% 40% 40%
110 Belf. Gr. pf. 15 15 15	216 Fndtn. 9/4 9/4 9/4	216 Pow. debt. 51% 51% 51%	92 BC Pack. 16/4 16/4 16/4	25 M'Laren. 9/4 9/4 9/4	1,135 Macassa. 4.85 4.30 4.30
366 Bell. 175/4 175 175	226 Gatineau. 15% 14% 14%	870 Price. 11% 10 10	20 CalPow. 99 99 99	665 Massey pf. 40% 39 39	120 McIntyre. 58% 57% 57%
2,100 Brazil. 8% 7% 7%	268 Gatineau. 14% 14% 14%	205 Price pf. 43 43 43	453 Can. Sug. 27 26% 26%	123 McColp. 89% 89% 89%	20,500 T. Fissure. .36 .32 .32
296 E.C. Pow. 27/4 27 27	320 Galt. 5% 5% 5%	362 Pow. 18% 18% 18%	125 Can. Malt. 35 34% 34%	176 Melch. pf. 5% 5% 5	4,850 O'Brien. 2.20 1.85 1.95
375 Bruch. 3 3 3	320 Galt. 5% 5% 5%	363 Regent. 21/2 21/2 21/2	48 CNPwr. pf. 111 110% 111	250 Moore Cupp. 40% 40% 40%	1,065 Pamsur. 2.10 1.95 1.95
1,000 Can. Pro. 18 18 18	320 Galt. 5% 5% 5%	364 Sag. Pow. pf. 106 105% 105%	30 C. Starch. 6 6 6	2,200 Pandora. .05 .044 .044	1,500 Pandor. 400 220 210
580 Cn. Buol. 23/4 23/4 23/4	320 Galt. 5% 5% 5%	370 Stl. Corp. 27/4 27/4 27/4	155 C. Vin. 12 11% 11%	2,200 Perron. 1.98 1.79 1.79	400 Pato. 1.20 1.20 1.20
602 Can. Cem. 73/4 71/2 71/2	25 H. Bridge. 1 1 1	371 Stl. Corp. A. 10 9 9	210 Cdn. Brew. 1.05 1.00 1.05	475 Pick Cr. 4.65 4.60 4.65	2,200 Perron. 1.98 1.79 1.79
290 Can. Cem. pf. 96 96 96	15 H. Bridge. 1 1 1	372 Stl. Corp. A. 10 9 9	310 Cdn. Brew. pf. 20% 20% 20%	1,850 Preston. 1.56 1.40 1.40	1,850 Preston. 1.56 1.40 1.40
380 Can. N. Pow. 17 17 17	866 Hollinger. 14% 14% 14%	373 Stl. Corp. A. 10 9 9	22 Que. Tel. 4% 4% 4%	6,000 Reward. .01% .01% .01%	6,000 Reward. .01% .01% .01%
211 Can. S.S. 1.60 1.50 1.50	320 Howsmith. 11% 10% 10%	374 Stl. Corp. A. 10 9 9	221 Cdnld. 206% 206% 206%	2,300 Sherritt. 1.00 .99 1.00	1,450 Biscoe. 1.18 1.05 1.05
227 CanGas pf. 7% 7% 7%	320 Howsmith. 11% 10% 10%	375 Stl. Corp. A. 10 9 9	300 C. Tru. 1/4 1/4 1/4	53 Unil. Sec. 5% 5% 5%	1,350 Steden. .40 .40 .40
1,265 CanGasB. pf. 95% 95% 95%	320 Howsmith. 11% 10% 10%	376 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	50,310 Stada. .51 .42 .42	50,310 Stada. .51 .42 .42
120 Cn. Cobalt. B. 1.80 1.80 1.80	224 Int. Pete. 22/4 21/4 21/4	377 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	725 Sullivan. .80 .76 .78	200 Waite. Amit. 6.45 6.25 6.25
120 Cn. Cobalt. B. 1.80 1.80 1.80	97 Int. Pow. 3 3 3	378 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	9,500 Wood. Cad. .11 .11 .11	9,500 Wood. Cad. .11 .11 .11
120 Cn. Cobalt. B. 1.80 1.80 1.80	121 Int. Pow. pf. 70/4 70/4 71/4	379 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	300 Anglo. Can. .90 .89 .89	300 Anglo. Can. .90 .89 .89
120 Cn. Cobalt. B. 1.80 1.80 1.80	121 Int. Pow. pf. 70/4 70/4 71/4	380 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	1,000 Brown. .22 .22 .22	1,000 Brown. .22 .22 .22
120 Cn. Cobalt. B. 1.80 1.80 1.80	121 Int. Pow. pf. 70/4 70/4 71/4	381 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	850 Dal. Oil. .39 .33 .33	850 Dal. Oil. .39 .33 .33
1,498 C.P.R. 4 3% 3%	690 LakeWds. 18% 18% 18%	382 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	3,900 Cent. Cad. 20% 15 16	3,900 Cent. Cad. 20% 15 16
555 Chockshut. 6% 5% 5%	20 L. Secord. 12% 12% 12%	383 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	350 Cent. Pat. 2.45 2.45 2.45	2,000 Grease Ck. 0.64 0.64 0.64
2,812 Smelters. 44% 41% 41%	285 Massey. 4% 4% 4%	384 Stl. Corp. A. 10 9 9	250 Cdn. Marc. 1 1 1	13,400 Can. Min. 22% 20% 20%	8,433 Home. 2.15 1.84 1.84
45 Cn. Cn. xtd. 27 27 27	286 McCol. 6 6 6	385 Banks. 2,842 ConsPap. 4% 3% 3%	250 Cdn. Marc. 1 1 1	See Page 263 for Unlisted Canadian Quotations	
390 Seagram. 18 17 17	286 Mitchell. 50 50 50	386 Bnk. Acrif. 3% 3% 3%	250 Cdn. Marc. 1 1 1		
796 Dom. Bd. Ed. 20% 20% 20%	286 Pow. 20% 20% 20%	387 Com. 2,842 ConsPap. 4% 3% 3%	250 Cdn. Marc. 1 1 1		
185 DomCn. pf. 18% 18% 18%	311 Mt. Tram. 66 66 66	388 Donn. A. 3% 3% 3%	250 Cdn. Marc. 1 1 1		
11 Dom. Gia. 114 114 114	311 Mt. Tram. 66 66 66	389 Fleet. Acrif. 5% 4% 4%	250 Cdn. Marc. 1 1 1		
2,780 Dom. S&C B. 10% 9% 9%	2,827 N. Brew. 40% 39% 40%	390 Ford. A. 20 19% 19%	250 Cdn. Marc. 1 1 1		
	35 NBrew. pf. 43% 43% 43%	391 Scotia. 303 300 303	2		

Financial News of the Week

PROFITS of the General Motors Corporation suffered a contra-seasonal decline in the second quarter of this year and adjusted earnings totaled only \$34,967,000, the lowest for any three months' period since the third quarter of last year.

Actual profits in the first six months of this year were \$101,050,000, one of the best half years in the history of the company and three times earnings in the corresponding months of 1938. After allowance for preferred dividend requirements, \$2.24 was earned on the common stock, as compared with only 66 cents a share in the six months ended June 30, 1938.

Sales in the first half of this year totaled \$739,401,000, a jump of 41 per cent, as contrasted with sales of \$522,777,000 in the first half of last year.

Retail sales of automobiles by General Motors dealers in July were reported at 102,000, a gain of 29 per cent, as contrasted with sales of 79,000 in July, 1938. The rate of gain has been slowing up in recent months since June volume was 56 per cent higher than a year ago.

Table I gives important items from the annual reports of the company since 1929.

Although net profits of the Chrysler Corporation in the second quarter of this year failed to rise by the usual seasonal amount, the showing was nevertheless much better than for most automobile companies. Adjusted profits of the company were about \$10,700,000—slightly below the good first quarter but otherwise the highest since the third quarter of 1937.

In the first six months of this year Chrysler earned \$25,346,000, almost five times profits of \$5,710,000 in the first half of last year. Common share earnings were \$5.82 and \$1.31 respectively.

Sales of the company totaled \$342,788,000 in the six months ended June 30, a gain of 82 per cent, as contrasted with sales of \$188,125,000 in the corresponding months of last year. It is noteworthy that unit sales of Chrysler-made cars rose but 56 per cent. Increased volume in non-automotive lines probably accounts for the good showing by Chrysler dollar sales.

An analysis of the operations of the company since 1929 was published in the issue of March 1, 1939.

Net profits of the Nash-Kelvinator Corporation experienced a contra-seasonal decline in the second quarter of this year and adjusted profits consequently fell below the zero line. The adjusted loss of \$564,000 shown in the second quarter of this year, however, makes a pleasing contrast with the adjusted loss of \$2,677,000 shown in the three months ended June 30, 1938.

In the first nine months of the company's fiscal year (which ends on Sept. 30), a loss of \$1,331,000 was reported as compared with a deficit of \$4,974,000 in the nine months ended June 30, 1938.

Operating results for the last six months, however, make a much better comparison as the company earned \$249,000 in the first half of this year, as compared with a loss of \$4,191,000 in the corresponding months of 1938.

Nash cars have sold unusually well so far this year with June retailings up 74 per cent, as compared with last year. New passenger car registrations by Nash in the six months ended June 30 showed an increase of 65 per cent.

Sales of the Kelvinator division are also substantially above a year ago, thanks to a much better demand for household refrigerators and larger orders for air-conditioning equipment.

Important items from the annual reports of the company since 1931 were given in THE ANNALIST of Jan. 18, 1939.

Hudson registrations in June were 43

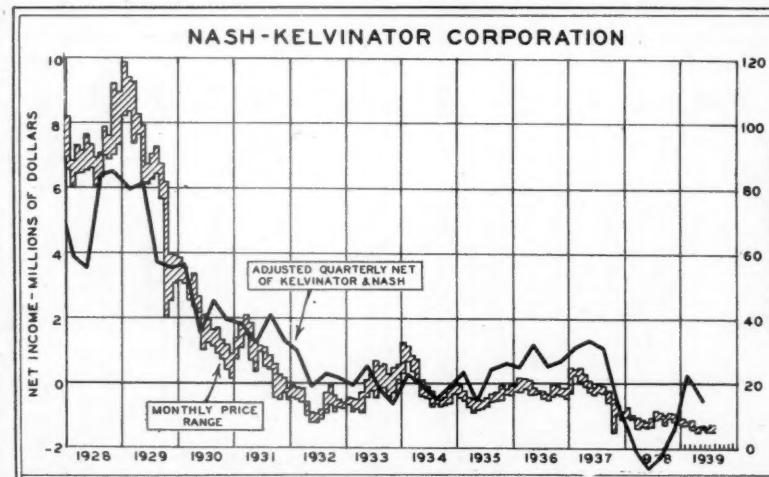
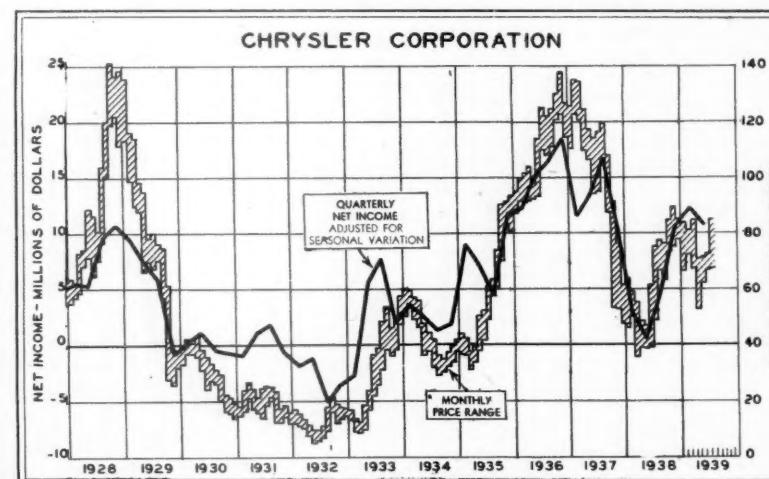
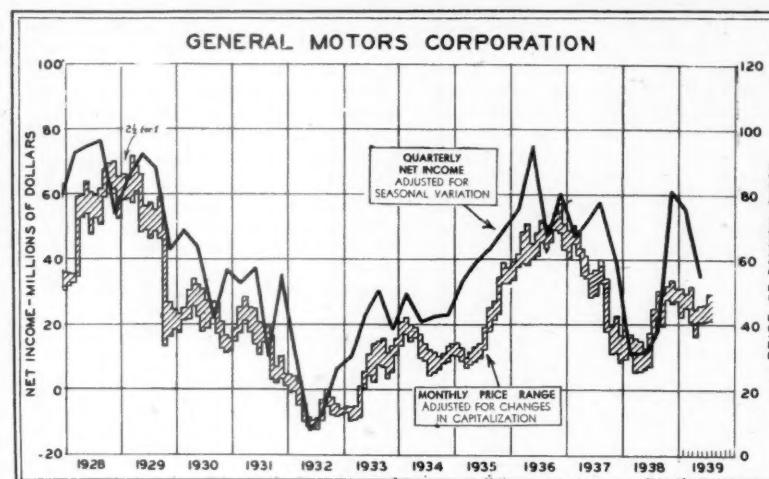


Table I. General Motors Corporation

Years Ended Dec. 31:	Sales.	Net Income.	Net to Sales.	Common Stock— Earn. & Sh. Divs. Paid.	Surplus Aft. Divs.	Earned Surplus.
				\$	\$	\$
1929.....	\$1,504,404	\$245,970	16.3	\$5.44	\$156,600	\$79,892
1930.....	983,375	153,766	15.6	3.31	130,500	13,729
1931.....	808,841	96,877	12.0	2.01	130,500	34,265
1932.....	432,312	165	0.3	0.21	53,993	301,266
1933.....	589,011	83,214	14.6	1.73	53,826	238,232
1934.....	842,806	94,941	11.3	1.99	64,443	249,961
1935.....	1,155,642	167,227	14.4	3.70	96,477	21,147
1936.....	1,439,290	238,482	16.5	5.35	195,750	270,109
1937.....	1,606,790	196,437	12.2	4.38	163,125	33,355
1938.....	1,066,973	102,310	9.6	2.17	64,386	368,081
						394,790
						423,415
Dec. 31:	Invested Capital.	% Net to Capital.	Net Properties.	% Earnings on Prop.	Working Capital.	Current Ratio.
1929.....	\$954,507	25.8	\$415,785	59.1	\$251,288	3.14
1930.....	966,802	15.9	395,374	38.9	281,038	4.35
1931.....	923,803	10.5	362,628	54.2	273,916	4.24
1932.....	860,769	0.2	325,274	N/A	225,437	4.90
1933.....	871,496	9.5	303,865	27.3	243,833	4.20
1934.....	882,695	10.6	305,678	31.0	275,646	4.06
1935.....	956,343	17.5	319,177	62.3	319,961	3.21
1936.....	981,810	22.9	326,222	61.3	339,687	2.95
1937.....	1,019,606	19.2	408,566	48.0	347,216	3.58
1938.....	1,072,941	9.5	396,342	25.8	387,244	3.91

d Deficit.

per cent larger than a year ago, according to reliable reports, while unit sales in the first six months showed a gain of 24 per cent. The company has already announced its 1940 line. Prices have been reduced about 5 per cent.

Packard registrations in the six months ended June 30 were only 24,435, a loss of 5 per cent, as compared with a year ago, making Packard one of the very few automobile companies to report lower sales this year. June volume, however, gained 10 per cent as compared with June, 1938.

INDUSTRIALS

Figures in Parentheses Give Date of Last Previous Item

American Car and Foundry (7-27-39)—The company has received from the New York, Chicago & St. Louis Railroad an order for twenty-five covered hopper cars.

American Tobacco Company (4-12-39)—Three new stockholders' actions have been brought in New York Supreme Court against G. W. Hill Jr. and other present and former officials of this company. Actions are based on payment of allegedly excessive bonuses to Mr. Hill and other executive officers of company between 1912 and 1933. These alleged overpayments, according to the complaints, amount to about \$10,000,000.

Armstrong Cork Company (12-28-38)—Company's mechanical rubber products division now at Lancaster will be consolidated at South Braintree, Mass.

Aviation Corporation (8-17-39)—The War Department announced last week that the Vultee Division of this company was the winner in design competition for basic and advanced training planes for military use. Actual contracts will be awarded in the near future, according to the announcement, although what companies will receive them has not been released.

Backlog of unfilled orders is said to be the highest in several years, with the new War Department contracts of \$3,256,000 and large orders for the new Stinson "105" aiding the grand total.

Blaw-Knox (8-17-39)—An order for 500 transmission towers involving about 5,800 tons of steel has been received from Commonwealth Edison Company.

Brill, J. G. (4-12-39)—An order for nine single-motored forty-passenger trolley coaches has been received from the Wilkes-Barre Railway Corporation.

Carrier Corporation (8-17-39)—Contract for seven cooling machines to be installed in the new Social Security Building, Washington, has been awarded to this company. Said to be the largest single job of the type ever contracted for a single building, it involves machinery which will supply cooling equivalent to the melting daily of 4,200 tons of ice.

Celanese Corporation (6-29-39)—Company has filed suit in Federal Court, Wilmington, Del., against Tubize Chatillon Corporation alleging infringement of three patents in connection with the manufacture of yarn and tile yarn.

Century Ribbon Mills (4-29-38)—Sales in first eight months of 1939 are running more than 10 per cent higher than those of corresponding period of 1938.

Certain-teed (7-27-39)—Having organized its own oil and gas development divisions, the company plans to put down two test wells this month in the 500 acres of gypsum mine land it controls in the new Michigan oil area.

Consolidated Coppermines Corporation (5-10-39)—Copper output for six months ended June 30 on basis of smelter settlements was 22,262,477 pounds.

Consolidated Oil Corporation (8-10-39)—Sinclair-Prairie Oil Marketing Company, subsidiary, has discontinued crude oil price postings in Texas, Oklahoma, New Mexico and Kansas until further notice.

Crocker-Wheeler Electric Manufacturing (1-18-39)—First half bookings show gain of 80.4 per cent over same period of 1938. Backlog was 128 per cent higher than on June 30, 1938. Billings in first six months exceeded those of like 1938 period by 5.2 per cent.

Douglas Aircraft (7-20-39)—All legal details necessary to close the sale of 29,320 shares of treasury stock to a Dutch banking syndicate at \$63.50 a share have been completed, according to Donald W. Douglas, president.

Meanwhile the company has finished the first of a fleet of twin-engined bombers for the French Government with completion of others in the contract to follow promptly.

A forty-two-passenger DC-4 commercial land plane has been sold to the Japan Air Transport Line.

Empire Gas and Fuel Company, Delaware—Subsidiary, Cities Service Oil Company, has posted reduction of 20 cents a barrel in its prices for crude oil.

Fisk Rubber Corporation (3-1-39)—Net income

AUG 24

of \$401,018 for the six months ended June 30 was the highest reported for the period in the past six years. This sum is after provision for Federal taxes, reserve for fluctuation in the price of raw materials and other contingencies and charges. It is equal, after payment on the preferred, to 68 cents per share on 429,923 shares of common.

In the first six months of last year Fisk showed net income of \$172,298, or 15 cents a common share.

The company has set up \$1,200,000 for experimental work, according to Charles E. Speaks, president.

International Paper and Power (2-8-39)—Arrangements have been completed by subsidiary, International Paper Company, with three banks for refunding both issues of its secured sinking fund notes, due 1940 and 1941. Medium will be a new issue to the banks of \$13,000,000 in secured notes maturing serially in varying amounts at six-month intervals from Dec. 30, 1939, through Dec. 30, 1944. Interest rates vary from 1½ per cent on the first maturity to 4½ per cent on the last two, or an average of about 3.75 per cent for the life of the issue.

Bethlehem Steel Corporation (8-17-39)—Navy Department has announced award of a \$609,000 contract for alloy steel forgings to Bethlehem Steel Company, subsidiary of this company.

Lion Oil Refining Company (3-1-39)—The company plans to extend its drilling program to Kentucky, having assembled 870 acres in Daviess County and 963 acres in Hancock County in the northwestern part of the State.

Lockheed Aircraft Corporation (8-17-39)—Net sales of \$12,565,117 and net profit of \$508,861 for the six months ended June 30 were the largest for any such period in the history of the company, according to Robert E. Gross, president.

The sales volume of \$12,565,117 compares with \$5,111,694 reported for the first half of last year and \$10,274,503 for the entire year 1938.

The net profit figure of \$508,861 is after provision for taxes and depreciation, and is equivalent to 66 cents a share on the 775,000 shares of common outstanding. Net profit for the first six months of last year was \$151,075, or 23 cents each on 660,579 common shares.

Unfilled orders on Aug. 1 amounted to \$26,372,385, as against \$23,522,930 on the corresponding date last year.

The profit item was arrived at, Mr. Gross explained, after writing off \$488,821 for design development, writing down inventories \$106,971, providing for depreciation in the amount of \$139,577 and after making provision for Federal income taxes of \$119,362. Gross profit before these deductions, totaling \$853,731, was \$1,362,592.

The company is working on three new types of planes, all designed primarily for the services of transport companies both in this country and abroad.

National Gypsum (4-26-39)—Approval of \$5,000,000 long-term debenture bonds has been voted by the preferred stockholders. Proceeds are to be used to retire the present 4½ per cent debentures, due May 1, 1950, and any bank loans then outstanding, and to provide additional funds for added construction at the New York plant.

National Steel Corporation (8-3-39)—Fourteen of sixteen open-hearth furnaces of Great Lakes Steel, division of company, are in operation, indicating a rate of 87½ per cent.

North American Aviation (8-17-39)—First six months sales from manufacturing operations amounted to \$12,965,836, a new high for any like period. The comparable figure for last year is \$3,345,680.

Including the \$15,800,000 contract recently received from the Army Air Corps, unfilled orders now run approximately to \$32,000,000, J. H. Kindelberger, president, explains. On June 30 the order backlog amounted to \$19,005,329, as against \$14,952,853 as of the corresponding date in 1938.

Consolidated net profit for the first six months of this year totaled \$2,781,682, equal, after charges and Federal income taxes, to 81 cents a share on the common. Net last year to Jung 30 amounted to \$590,175, or 17 cents a common share.

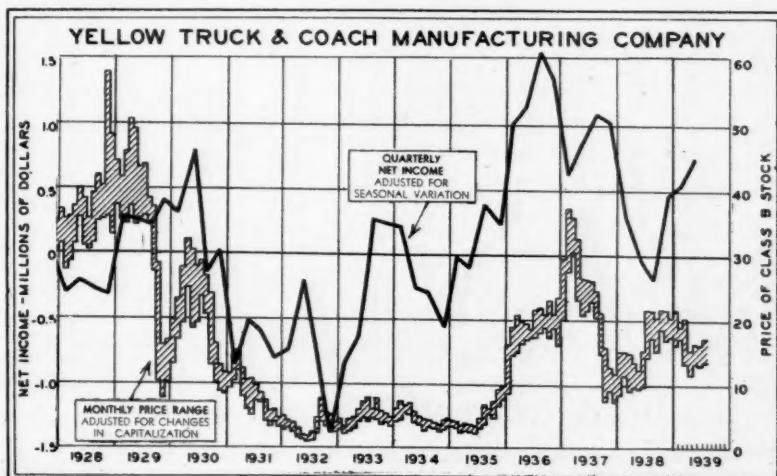
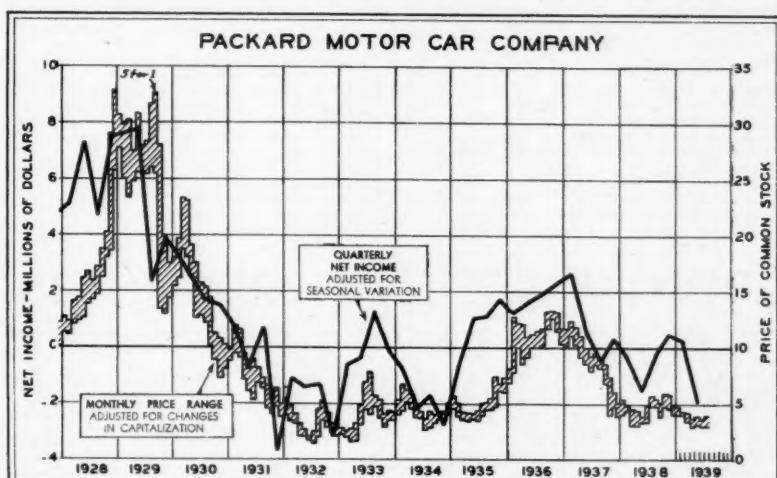
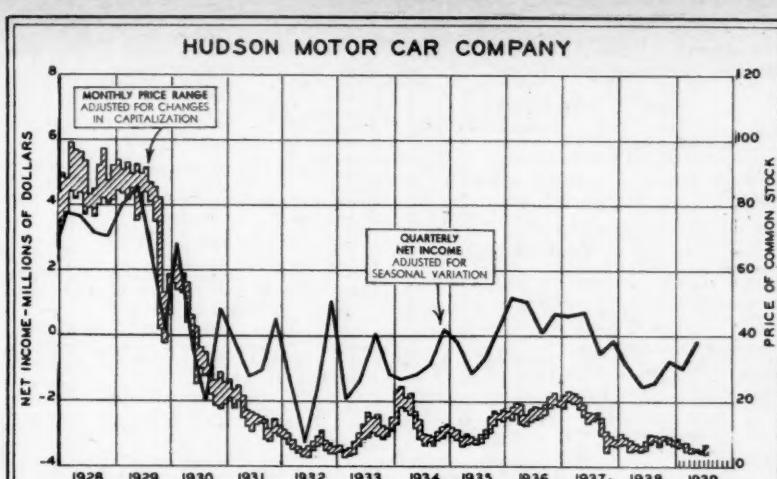
Republic Steel Corporation—See item under U. S. Steel Corporation.

Shell Union Oil Corporation (8-17-39)—Shell Oil Company, Inc., subsidiary, plans expenditure of \$1,125,000 for a natural gasoline plant for Northern Gaines and the Southern Yoakum Counties. Plant would have a daily capacity of 30,000,000 cubic feet of gas.

Smith, L. C., & Corona (6-15-39)—Unfilled orders for L. C. Smith machines at end of July, 1939, were about 28 per cent greater than on June 30, 1939, and about 10 per cent greater than at the end of July, 1938.

Union Oil Company of California (8-3-39)—A group headed by Dillon Read & Co. has offered \$30,000,000 of 3 per cent debentures priced at 103 and accrued interest and maturing on Aug. 1, 1969. The proceeds will be used to provide refunding and payment of all the company's outstanding funded debt and for capital expenditures.

The sum of \$10,725,000 will be applied to the redemption on Jan. 1, 1940, at 105½ of all the company's outstanding fifteen-year 5½ per cent debentures, due 1952. An additional \$9,341,553 will be used for the payment on or before maturity of the principal and interest to maturity on all the company's outstanding twenty-year 6 per cent bonds, Series A, due on May 1, 1942, which are not redeemable prior to maturity.



The balance will become part of the company's general funds and from it general program of extension and modernization of production, refining, marine transportation and marketing facilities will be financed.

United Aircraft Corporation (8-17-39)—A new Pratt and Whitney radial air-cooled aircraft engine, capable of delivering greater power at high altitude than any other known to be in service anywhere in the world has been placed on display by the United States Navy.

United States Steel Corporation (8-17-39)—An order for 30,000 tons of sixteen-inch steel pipe has been placed with National Tube Company, subsidiary; Youngstown Sheet and Tube Company and Republic Steel Corporation by Northern Natural Gas Company.

Youngstown Sheet and Tube Company—See item under U. S. Steel Corporation.

RAILROADS

Baltimore & Ohio (8-10-39)—Payment of ½ per cent fixed interest on its refunding and general mortgage bonds, Series F, 5 per cent, due 1966, and Series D, 5 per cent, due 2000, will be made Sept. 1 to holders of record Aug. 17, 1939, according to notice received by the New York Stock Exchange.

Missouri Pacific Railroad (8-10-39)—ICC authorized the road to issue equipment-trust certificates in the amount of \$2,980,000. Salomon Brothers and Hutzler, Dick & Merle-Smith and Stroud & Co. have bought the issue, which bears 2½ per cent interest, at 100.130 and accrued dividends.

Steel gondola cars to a total of 1,000, two streamline trains, two diesel-electric passenger locomotives and seven diesel-electric switching locomotives will be bought.

New York Central Railroad (8-17-39)—ICC has authorized the abandonment of 21.9 miles of line in Greene and Ulster Counties, New York.

Southern Railway (7-13-39)—Blyth & Co., Inc., have bought at 100.0791, equipment-trust certificates in the amount of \$400,000 and bearing 2 per cent interest which the ICC has authorized the road to issue.

UTILITIES

Alabama Power Company—Near Mobile this company will erect a new steam generating plant and other facilities at an estimated cost of \$14,000,000.

Central Ohio Power and Light—The entire issue of first mortgage Series A 5 per cent bonds, due Oct. 1, 1950, has been called for payment Oct. 1 at 102½ and interest. Also called is the entire issue of first mortgage Series B 5 per cent bonds, due June 1, 1962, for payment Sept. 14, 1939, at 102½ and interest. For payment Sept. 14, at 100 and interest, the company has called its entire issue of convertible secured 4½ per cent notes, due June 1, 1940.

Central Power and Light Company—A group headed by Glore, Forgan & Co. has offered \$25,000,000 of the company's bonds and \$7,000,000 of debentures. Proceeds of the financing, together with other funds amounting to \$1,773,968 will be used to redeem \$32,043,200 principal amount of the

company's first mortgage 5 per cent bonds. The new issue of \$25,000,000 of bonds, which are first mortgage 3½%, Series A, due Aug. 1, 1969, were priced at 101 and accrued interest.

The \$7,000,000 of debentures, which carry coupons ranging from ½ to 3 per cent, mature semi-annually from Aug. 15, 1940, to Aug. 15, 1946, and were offered at prices to yield 1.25 per cent.

Continued on Page 260

CORPORATE NET EARNINGS INDUSTRIALS

	Net Income 1939.	Com. Share Earnings 1938.	Net Income 1939.	Com. Share Earnings 1938.
Allegheny Ludlum Steel :				
June 30 gr.	\$147,740	*\$561,332	\$0.07	...
116 mo., June 30	354,322	5....	.19	...
Aluminum Industries, Inc. :				
6 mo., June 30	115,899	*43,060	1.16	...
American Agricultural Chemical Co. :				
Yr., June 30	764,694	1,401,075	1.22	2.23
American Encaustic Tiling Co., Inc. :				
June 30 gr.	120,414	*10,297	...	...
116 mo., June 30	*24,283	*31,645	...	...
Anacinda Copper Mining Co. :				
**June 30 qr.	5,483,425	1,624,847	.40	.19
6 mo., June 30	7,170,336	4,010,363	.83	.46
Andes Copper Mining Co. :				
6 mo., June 30	1,019,107	1,008,036	.28	.28
Armstrong Cork Co. :				
6 mo., June 30	1,586,337	285,093	1.05	.20
Caterpillar Tractor Co. :				
7 mo., July 31	2,709,842	1,291,087	1.26	.51
12 mo., July 31	4,654,465	4,052,694	2.16	1.85
Chicago Pneumatic Tool Co. :				
June 30 qr.	203,020	153,908	.07	.61
6 mo., June 30	388,239	375,192	.08	.05
Chrysler Corp. :				
June 30 qr.	13,707,481	3,596,630	3.15	.83
6 mo., June 30	32,345,771	5,709,590	5.83	3.31
Claude Neon Lights, Inc. (New York) :				
6 mo., June 30	21,633	*48,456	.02	...
Club Aluminum Utensil Co. :				
Yr., June 30	108,592	87,291	.40	.32
Columbian Carbon Co. :				
**June 30 qr.	803,721	669,917	1.50	1.24
6 mo., June 30	1,633,599	1,377,072	3.04	2.56
Commonwealth & Southern Corp. :				
7 mo., July 31	8,933,494	6,122,380	h.11	h.02
12 mo., July 31	14,675,850	12,342,647	h.17	h.10
Congress Cigar Co. :				
June 30 qr.	18,290	*2,396	.06	...
6 mo., June 30	*4,752	*60,056	...	...
Crocker-Wheeler Elec. Mfg. :				
6 mo., June 30	*26,749	*123,751	...	...
Croft Brewing Co. :				
6 mo., June 30	111,627	...	...	...
Curtis Publishing Co. :				
June 30 qr.	1,609,571	1,012,417	.17	p.17
6 mo., June 30	1,991,669	1,258,706	p.26	p.16
Dupont Silk Corp. :				
Yr., May 31	420,182	331,496	1.03	.70
Electrical Products Corp. :				
6 mo., June 30	157,402	167,324	.60	.64
Federal Mining & Smelting Co. :				
June 30 qr.	114,340	122,306	...	...
116 mo., June 30	1326,373	1189,816	...	...
Fisk Rubber Corp. :				
6 mo., June 30	401,018	172,298	.68	.15
Greene Cananea Copper Co. :				
6 mo., June 30	755,539	496,344	1.51	.99
Greyhound Corp. :				
6 mo., June 30	1,992,597	1,483,628	h.71	h.52
12 mo., June 30	6,026,290	4,847,020	b.27	b.17
Hancock Oil Co. of California :				
Yr., June 30	1,682,877	1,051,228	c.7.51	c.6.83
Hawaiian Pineapple Co., Ltd. :				
Yr., May 31	1,408,428	2,250,731	1.06	1.60
Homestake Mining Co. :				
6 mo., June 30	4,231,035	3,301,505	2.11	1.64
Household Finance Corp. :				
6 mo., June 30	2,961,484	2,972,115	3.41	3.52
12 mo., June 30	6,150,283	6,326,746	7.12	7.57
Interstate Hosiery Mills, Inc. :				
6 mo., June 30	113,798	*94,121	1.15	...
Kaufmann Department Stores :				
6 mo., June 30	437,524	331,914	.51	.33
Keith-Albee-Orpheum Corp. :				
26 wks., July 1	525,909	368,194	.25	.13
52 wks., July 1	1,134,710	1,013,767	.57	.47
Keith (B. F.) Corp. :				
26 wks., July 1	332,587	254,538	...	...
52 wks., July 1	830,369	780,839	...	...
Kinney Co., G. R. :				
6 mo., June 30	67,237	*75,086	r.1.06	...
Lily-Tulip Cup Corp. :				
12 mo., June 30	356,294	359,251	2.04	1.30
Loblaw Greeterias, Ltd. :				
4 wks., July 22	55,485	50,070	...	...
8 wks., July 22	116,564	108,367	...	...
Lockheed Aircraft Corp. :				
6 mo., June 30	508,861	151,074	h.66	h.23
Loudon Packing Co. :				
Yr., June 30	*55,112	*75,479	...	...
Marcacibe Oil Exploration Corp. :				
June 30 qr.	*4,879	15,924	...	...
6 mo., June 30	*4,774	15,512	...	...
Mapes Consolidated Mfg. :				
6 mo., June 30	322,233	225,236	2.55	1.78
National Container Corp. :				
6 mo., June 30	87,946	54,299	.36	.16
National Enameling & Stamping Co. :				
6 mo., June 30	*230,997	*302,724	...	...
National Supply Co. :				
June 30 qr.	*314,390	413,372	x.02	...
6 mo., June 30	*547,370	1,508,226	.35	...
12 mo., June 30	*771,829	4,190,265	1.73	...

FOR SALE

Bound volumes of the Iron Age, July, 1924 to June, 1937. No reasonable offer refused. Box 824, The Annalist.

Company.	Net Income 1939.	Com. Share Earnings. 1938.	1939.	1938.	Company.	Net Income 1939.	Com. Share Earnings. 1938.	1939.	1938.	Company.	Net Income 1939.	Com. Share Earnings. 1938.	1939.	1938.	Company.	Net Income 1939.	Com. Share Earnings. 1938.	1939.	1938.
Neilsner Brothers, Inc.:					Weston Electrical Instrument:					New York Power & Light Corp.:					Kansas City Southern Rwy.:				
6 mo., June 30. 122,585 *22,027 .31					6 mo., June 30. 153,726 56,094 .76				June 30 gr. 627,054 610,846					6 mo., June 30. 177,975 193,700					
North American Aviation, Inc.:					PUBLIC UTILITIES					12 mo., June 30. 2,733,121 2,655,818					Lehigh Valley R. R.:				
6 mo., June 30. 2,781,682 590,175 .81					1939. 1938. 1939. 1938.				June 30 gr. 591,176 838,073					6 mo., June 30. *510,203 *2,251,129					
Ohio Oil Co.:					Alabama Power Co.:					12 mo., June 30. 3,470,141					Louisville & Nashville R. R.:				
**June 30 qr. 154,993 1,391,368 p.44 .09					Buffalo, Niagara & Eastern Power Corp.:					12 mo., July 31. 4,024,650 3,460,341					6 mo., June 30. 1,372,551 *1,125,303				
6 mo., June 30. *142,559 2,683,516 .16					June 30 gr. 1,420,620 1,344,537				12 mo., July 31. 4,024,650 3,460,341					Mahoning Coal R. R.:					
Omnibus Corp.:					Buffalo Niagara Electric Corp.:					12 mo., June 30. 6,793,851					12 mo., July 31. 4,216,179 3,848,528				
12 mo., Mar. 31. 1,503,833 8 .15					June 30 gr. 508,351 373,030				12 mo., June 30. 2,347,616 2,533,893					Union Gas Co. of Canada:					
Park Utah Cons. Mines:					Central Maine Power Co.:					12 mo., June 30. 1,935,662 1,623,796					June 30 gr. 1278,321 1183,047				
6 mo., June 30. *69,000 *103,901 ...					Central New York Power Corp.:					12 mo., July 31. 805,051 642,120					12 mo., June 30. 23,761,027 27,761,027	2.74	2.56		
Baybestos-Manhattan, Inc.:					June 30 gr. 940,251				12 mo., June 30. 3,454,672					United Gas Corp. & subs.:					
6 mo., June 30. 709,130 *302,351 1.12					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					June 30 gr. 596,691 1,439,697	r1.33	a.74			
Rayonder, Inc.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					12 mo., June 30. 4,465,814 8,252,297	a1.49	s.577			
July 31 qr. 217,516 *183,264 p.35					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					RAILROADS					
Real Silk Hosiery Mills, Inc.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					1939. 1938. 1939. 1938.					
6 mo., June 30. 63,558 *14,334 .06					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Atchison, Topeka & Santa Fe Ry. System:					
Bingham Oil Corp.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *3,137,210 *2,968,286					
**June 30 qr. 677,065 457,599 .17					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Atlantic Coast Line R. R.:					
6 mo., June 30. 1,196,128 1,005,383 .30					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. 84,757 371,997	.10	.44			
Robertson (H. H.) Co.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Baltimore & Ohio R. R.:					
6 mo., June 30. 217,618 101,314 .91					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *30,11,169,975 11,000,906					
Rutland R. R.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Central R. R. of New Jersey:					
6 mo., June 30. *281,293 ...					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *2,124,708 *1,846,435					
South Penn Oil Co.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Chicago, Milwaukee, St. Paul & Pacific:					
6 mo., June 30. 890,192 847,660 .89					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *1,228,024 *1,124,063					
Standard Oil Co. of Indiana:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Chicago & North Western Ry.:					
6 mo., June 30. 14,979,694 17,749,093 .98					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *279,936 *11,143,611					
Thompson-Stearns Co.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Chic., St. Paul, Minneapolis & Omaha Rwy.:					
July 27 qr. *37,508 *58,542 ...					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *1,947,064 *1,672,100					
Transwestern Oil Co.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Chicago Great Western R. R.:					
6 mo., June 30. *130,900 130,256 ...					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *547,576 *1,316,563					
United Engineering & Foundry Co.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Delaware, Lack. & Western R. R.:					
6 mo., June 30. 951,813 1,402,998 h1.12 h1.68					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *852,976 *2,172,745					
United Drug, Inc.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Erie R. R.:					
June 30 qr. *239,681 *315,840 ...					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *2,646,820 *7,358,376					
12 mo., June 30. *182,302 *635,385 ...					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Gulf, Mobile & Northern R. R.:					
Vanadium Corp. of America:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. 144,324 *60,767 p.95					
6 mo., June 30. 380,095 *5,794 1.01					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					Int'l Great Northern R. R.:					
Vulcan Detinning Co.:					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672					6 mo., June 30. *1,666,056 *1,730,956					
June 30 qr. 103,778 54,132 2.49 .95					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672										
6 mo., June 30. 202,667 98,264 4.83 1.58					June 30 gr. 1,940,251				12 mo., June 30. 3,454,672										

Dividends Declared Since Previous Issue of The Annalist and Awaiting Payment

Regular	Pe-Pay. Hds.	Hds.	Company.	Rate, r. i. d. able. ord.	Pe-Pay. of Rec.	Hds.	Company.	Rate, r. i. d. able. ord.	Pe-Pay. of Rec.	Hds.	Company.	Rate, r. i. d. able. ord.	Pe-Pay. of Rec.	Hds.	Company.	Rate, r. i. d. able. ord.	Pe-Pay. of Rec.	
Company.	Rate, r. i. d. able. of Rec.		Hoover & Allison Co.	5% pf.	\$1.25	Q 9-1 8-15	McKenzie Red Lake Gold Mines Ltd.	3c Q 9-15 9-1	\$1.25	Q 9-15 9-1	People's D Strs.	25c Q 10-2 9-8	\$1.25	Q 9-15 9-1	Tlio Roof	25c Q 9-15 9-1	\$1.25	Q 9-15 9-1
Abbott Lab	40c	9-10 9-12	Household Finl.	1% Q 10-2 9-20	\$1.25	Q 10-14 9-30	Merch First Ins Co (Denver)	30c Q 9-12 9-12	\$1.25	Q 9-12 9-12	Peoples Natl Bk of Wash (Seattle, Wash.)	25c Q 9-30 9-25	\$1.25	Q 9-15 9-15	United G. E. pf.	31.75 Q 9-15 9-1	\$1.25	Q 9-15 9-1
Abbott Lab	12c	10-15 10-3	Household Finl.	1% Q 10-2 9-20	\$1.25	Q 10-14 9-30	Mich St Prod.	15c Q 9-12 9-12	\$1.25	Q 9-12 9-12	Pet Milk	25c Q 10-2 9-11	\$1.25	Q 9-15 9-15	U S Tobacco	32c Q 9-15 9-15	\$1.25	Q 9-15 9-15
American Ins Co (Water- town, N Y)	.75c	10-2 9-20	Interl Harvester	40c Q 10-16 9-20	\$1.25	Q 9-12 9-12	Moch J Vchr	25c Q 9-12 9-12	\$1.25	Q 9-12 9-12	Plymouth Oil	35c Q 9-30 9-11	\$1.25	Q 9-15 9-15	U S Tob	43c Q 9-15 9-19	\$1.25	Q 9-15 9-19
Akron Br Mfg	.12c	9-15 9-6	Intern Ocean Telegr	1% Q 10-16 9-20	\$1.25	Q 9-12 9-12	Morris Fin Co	30c Q 9-12 9-12	\$1.25	Q 9-12 9-12	Preferred Accrd Ins	20c Q 9-20 9-8	\$1.25	Q 9-15 9-15	Un Pac Ins	\$1.50 Q 9-20 9-29	\$1.25	Q 9-15 9-29
Am Box Bd	7% pf.	17c	9-15 9-15	\$1.25	Q 9-12 9-12	Mortg Bk Columbia (Am shrs)	25c Q 9-12 9-20	\$1.25	Q 9-12 9-20	Rice-Stix D G 1st & 2d pf.	1.25c Q 9-12 9-12	\$1.25	Q 9-12 9-12	Victor-Monohan Co	7% Q 9-12 9-20	\$1.25	Q 9-12 9-20	
Am Cig & Cig. Co	.15c	9-15 9-15	Intl Vit A	7c Q 9-20 9-20	\$1.25	Q 9-12 9-12	Jefferson Lk Oil Co	7% Q 9-12 9-12	\$1.25	Q 9-12 9-12	Judson-Voehr. pf.	1.25c Q 10-1 9-15	\$1.25	Q 9-12 9-12	Virginia Fire & Mar Ins Co	5% Q 9-1 8-19	\$1.25	Q 9-1 8-19
Am Cig & Cig. Co	.15c	9-15 9-15	Keystone Stl W.	15c Q 9-15 9-15	\$1													

THE ANNALIST uses for these pages the following standing footnote:
"Subject to revision. Revised. All other footnotes appear immediately below each table."

Business Statistics

THE NEW YORK TIMES WEEKLY BUSINESS INDEX											
	Freight	Electric	Cotton	Combined							
Effective weights	18	7	25	20	10	10	10	100			
Adjusted weights	19	.08	.10	.49	.03	.06	.05	1.00			
Aug. 13.....	69.4	77.4	59.4	96.0	33.9	69.3	121.7	53.6			
Aug. 20.....	69.8	77.8	63.8	95.2	37.9	73.5	120.2	54.1			
Aug. 27.....	72.2	79.0	64.6	95.2	34.9	75.3	118.7	54.6			
1939.											
Aug. 8.....	71.8	76.0	72.5	96.4	78.5	71.8	121.4	56.9			
Aug. 15.....	71.5	77.5	67.5	95.5	78.2	71.4	121.8	56.0			
Aug. 22.....	70.2	78.3	65.7	96.2	79.5	74.0	121.4	56.2			
Aug. 29.....	73.2	81.1	63.8	95.8	77.1	73.4	124.9	56.7			
May 6.....	73.8	77.1	63.8	95.5	65.0	78.2	121.4	56.9			
May 13.....	72.6	73.5	62.0	95.1	68.3	75.0	121.8	56.0			
May 20.....	72.6	86.1	60.6	94.8	78.6	73.0	121.4	56.2			
May 27.....	71.9	86.3	66.8	96.3	70.1	77.7	124.9	56.7			
June 3.....	70.9	84.9	72.3	95.4	43.8	73.1	120.9	56.0			
June 10.....	74.4	88.5	77.1	97.5	73.2	76.9	123.2	56.9			
June 17.....	73.7	89.9	79.1	97.9	88.6	75.6	125.8	50.6			
June 24.....	74.0	89.7	83.6	98.1	90.2	75.9	124.0	51.1			
July 1.....	72.8	90.6	83.6	97.5	77.8	74.8	132.1	50.6			
July 8.....	68.4	86.1	75.7	95.4	79.2	68.0	120.0	56.7			
July 15.....	73.6	92.4	75.9	98.9	70.3	80.7	138.8	51.3			
July 22.....	74.0	88.8	83.9	97.7	56.8	81.4	132.1	50.6			
July 29.....	75.2	88.8	99.4	99.0	50.4	78.2	128.1	51.5			
Aug. 5.....	74.9	89.6	89.1	99.2	38.8	79.0	124.9	51.1			
Aug. 12.....	74.6	90.0	91.6	99.4	37.5	76.9	125.4	51.3			
Aug. 19.....	.....	.....	.....	.....	.....	.....	.....	.....
Aug. 26.....	.....	.....	.....	.....	.....	.....	.....	.....

For data back to Jan. 1, 1938, June 22, 1938.

RATE OF OPERATIONS IN THE STEEL INDUSTRY

As Estimated by

Dow-Jones		Week	Amer.	Iron &	Week	N. Y.	Iron	Met.	Am.	P. C.
U. S.	Steel. Indep.	Begin-	Stn. Inst.	Ended:	Steel.	Times	As of:	Age.	Mkt.	Year Chg.
Week Ended:										
Aug. 15.....	32	50	41	Aug. 8.....	39.4	Aug. 13.....	40	40	Aug. 9.....	40
Aug. 22.....	34.6	45.4	42	Aug. 20.....	41.4	Aug. 16.....	41	41	Aug. 10.....	41
Aug. 29.....	37.0	49.7	44	Aug. 22.....	42.8	Aug. 27.....	43	43	Aug. 23.....	43
1939.										
Mar. 13.....	52%	57%	55%	Mar. 16.....	55.1	Mar. 18.....	55	55	Mar. 19.....	55
Mar. 20.....	54%	56%	56	Mar. 13.....	55.7	Mar. 18.....	56	56	Mar. 14.....	56
Mar. 27.....	57	56	56	Mar. 20.....	55.4	Mar. 25.....	55%	55	Mar. 21.....	55%
Apr. 3.....	57	56	56	Mar. 27.....	56.1	Apr. 1.....	54.9	56	Mar. 28.....	55
Apr. 10.....	49	56	53	Mar. 24.....	53	Apr. 8.....	53	54	Mar. 29.....	54
Apr. 17.....	49%	52%	51	Mar. 21.....	52.1	Apr. 15.....	51.2	51	Mar. 26.....	51.2
Apr. 24.....	52	50	50	Mar. 18.....	50.9	Apr. 22.....	50.4	50	Mar. 23.....	50.4
May 1.....	47	50	49	Mar. 15.....	48.6	Apr. 29.....	49	49	Mar. 20.....	49
May 8.....	46.4	49	48	May 1.....	47.8	May 6.....	49	48	May 2.....	48
May 15.....	42%	47%	46	May 8.....	47.0	May 13.....	47	46	May 14.....	47
May 22.....	42%	48%	46	May 15.....	45.4	May 20.....	45%	46	May 16.....	45%
May 29.....	42%	53%	48%	May 22.....	48.5	May 27.....	48	49	May 28.....	48
June 5.....	47.5	56.2	52	June 2.....	52	June 3.....	52	52	June 4.....	52
June 12.....	46	60%	54	June 9.....	54	June 10.....	53	53	June 11.....	53
June 19.....	44.4	61	53.4	June 12.....	53.1	June 17.....	52.9	53	June 18.....	52.9
June 26.....	47.6	62%	56	June 19.....	55.0	June 24.....	54	55	June 25.....	54
July 3.....	48.4	60	54.7	June 26.....	54.3	July 8.....	42	54	July 9.....	54
July 10.....	34.9	43%	39%	July 10.....	38.5	July 15.....	50	50	July 16.....	50
July 17.....	45	55	50.7	July 10.....	49.7	July 17.....	56.4	56	July 18.....	56.4
July 24.....	53%	62%	58%	July 17.....	60.6	July 29.....	60	60	July 30.....	60
July 31.....	51	66%	61%	July 24.....	60.6	July 31.....	59.3	59	Aug. 1.....	59
Aug. 7.....	53%	63%	60	Aug. 7.....	60	Aug. 12.....	61	61	Aug. 13.....	61
Aug. 14.....	58	63%	61	Aug. 14.....	62.1	Aug. 18.....	63%	62	Aug. 19.....	62.1
Aug. 21.....	.....	.....	.....	Aug. 21.....	62.2	Aug. 26.....	63	62	Aug. 27.....	62.2

COMMERCIAL FAILURES

WEEKLY (11)

Aug. 17, 1939. Aug. 10, 1938.

Manufacturing ... 36 39 40

Wholesale ... 18 25 28

Retail ... 158 124 142

Construction ... 10 11 13

Com'l service ... 6 11 5

Total U. S. 228 210 228

Regions:

New England... 22 19 19

Middle Atlantic... 84 66 80

E. North Central... 48 52 39

W. North Central... 14 11 9

South Atlantic... 15 15 22

E. South Central... 6 10 16

W. South Central... 7 7 8

Mountain ... 8 8 8

Pacific ... 24 22 27

Total U. S. 228 210 228

COAL AND BEEHIVE COKE PRODUCTION WEEKLY (5)

(Thousands of net tons)

*Aug. 12, 1938. *Aug. 13, 1938.

Bituminous coal: Total ... 7,430 7,300 6,042

Daily average... 1,238 1,217 1,007

Anthracite (Penn.): Total ... 522 766 425

Daily average... 137 128 71

Beehive coke: Total ... 11 9 11

Daily average... 2 2 2

THE ANNALIST WEEKLY INDEX OF SENSITIVE COMMODITY PRICES (1913 = 100)

Sensitive

Steel ... 121.7 86.9 104.3

Scrap ... 95.3

Zinc ... 104.3

Aver. ... 93.5

Index ... 93.5

THE ANNALIST CYCLICAL PRICE INDEX

1939. 1938. 1937. 1936.

June 21..... 61.5 49.1 74.4 57.0

June 28..... 61.5 52.1 74.0 57.3

July 5..... 62.0 55.5 75.1 57.1

July 12..... 62.4 56.2 77.5 57.0

July 19..... 63.9 56.8 78.1 57.6

July 26..... 64.5 57.8 79.7 58.4

Aug. 2..... 64.4 57.8 79.8 58.8

Aug. 9..... 64.8 58.5 81.4 59.8

Aug. 16..... 63.9 58.3 81.5 60.0

Aug. 23..... 63.5 58.5 81.6 60.2

Business Statistics

CRUDE OIL PRODUCTION (18)

(Average daily barrels; excluding "hot" or illegally produced oil)

*Bur. of Mines Calculations, 1938.

1938.

Texas-Panhandle 64,000 71,850

North 87,000 75,400

W. Cen. 32,700 29,300

West 248,900 218,950

E. Cen. 97,750 97,550

East 373,500 440,500

S. W. 226,300 236,850

Coastal 232,000 217,450

**33
BRITISH EXCHANGE RATES
ON PARIS**

(In francs; average price per day)

	1939	1938				
	Aug.	July.	June.	May.	April.	
1. 176.71	176.74	176.73	176.72	176.76		
2. 176.71	176.74	176.73	176.73			
3. 176.71	176.73	176.74	176.73	176.76		
4. 176.71	176.72	176.73	176.73	176.74		
5. 176.71	176.72	176.73	176.73	176.74		
6.	176.72	176.73	176.73	176.73		
7.	176.72	176.73	176.73	176.73		
8. 176.71	176.72	176.74	176.72	176.77		
9. 176.71	176.72	176.73	176.73			
10. 176.71	176.72	176.73	176.72	176.72		
11. 176.70	176.72	176.73	176.73	176.78		
12. 176.70	176.71	176.73	176.73	176.77		
13.	176.72	176.73	176.73	176.75		
14. 176.70	176.72	176.73	176.73	176.75		
15. 176.71	176.72	176.73	176.73	176.76		
16. 176.70	176.71	176.71	176.74			
17. 176.70	176.72	176.72	176.73	176.72		
18. 176.70	176.72	176.73	176.74	176.72		
19. 176.70	176.72	176.72	176.73	176.72		
Week Ended:	1939	1938				
Ended:	High.	Low.	High.	Low.		
Apr. 8	176.78	176.73	161.95	160.26		
Apr. 15	176.75	176.78	160.11	158.18		
Apr. 22	176.73	176.71	165.74	158.18		
Apr. 29	176.73	176.71	165.74	158.18		
May 6	176.73	176.72	178.86	162.97		
May 13	176.73	176.72	177.93	177.67		
May 20	176.74	176.73	177.66	177.60		
May 27	176.73	176.73	178.73	178.15		
June 3	176.74	176.73	178.70	178.29		
June 10	176.76	176.73	178.77	178.29		
June 17	176.73	176.71	178.58	178.34		
June 24	176.72	176.71	177.93	177.89		
July 1	176.74	176.71	177.90	177.89		
July 8	176.73	176.72	178.45	177.78		
July 15	176.72	176.71	178.67	178.30		
July 22	176.72	176.72	178.67	178.30		
July 29	176.72	176.71	178.67	178.30		
Aug. 5	176.71	176.71	178.58	178.08		
Aug. 12	176.71	176.70	178.90	178.37		
Aug. 19	176.71	176.70	178.90	178.77		

**34
FOREIGN EXCHANGE RATES WEEKLY**

(All quotations cable rates unless otherwise noted)

	Par.	Country and Unit.	Week Ended-	Aug. 19, 1939	Aug. 12, 1939	Aug. 20, 1938
			High.	Low.	High.	Low.
1. 176.71	176.74	176.73	176.72	176.76	176.71	176.71
2. 176.71	176.74	176.73	176.73	176.73	176.71	176.71
3. 176.71	176.73	176.74	176.73	176.76	176.71	176.71
4. 176.71	176.72	176.73	176.73	176.74	176.71	176.71
5. 176.71	176.72	176.73	176.73	176.74	176.71	176.71
6.	176.72	176.73	176.73	176.73	176.71	176.71
7.	176.72	176.74	176.72	176.77	176.71	176.71
8. 176.71	176.72	176.73	176.73	176.73	176.71	176.71
9. 176.71	176.72	176.73	176.73	176.73	176.71	176.71
10. 176.71	176.72	176.73	176.72	176.72	176.71	176.71
11. 176.70	176.72	176.73	176.73	176.78	176.71	176.71
12. 176.70	176.71	176.73	176.73	176.77	176.71	176.71
13.	176.72	176.73	176.73	176.75	176.71	176.71
14. 176.70	176.72	176.73	176.73	176.75	176.71	176.71
15. 176.71	176.72	176.73	176.73	176.76	176.71	176.71
16. 176.70	176.71	176.72	176.72	176.74	176.71	176.71
17. 176.70	176.72	176.72	176.73	176.72	176.71	176.71
18. 176.70	176.72	176.72	176.73	176.72	176.71	176.71
19. 176.70	176.72	176.72	176.73	176.72	176.71	176.71

Demand rate.

**35
FOREIGN EXCHANGE RATES DAILY**

(Cable transfer rates)

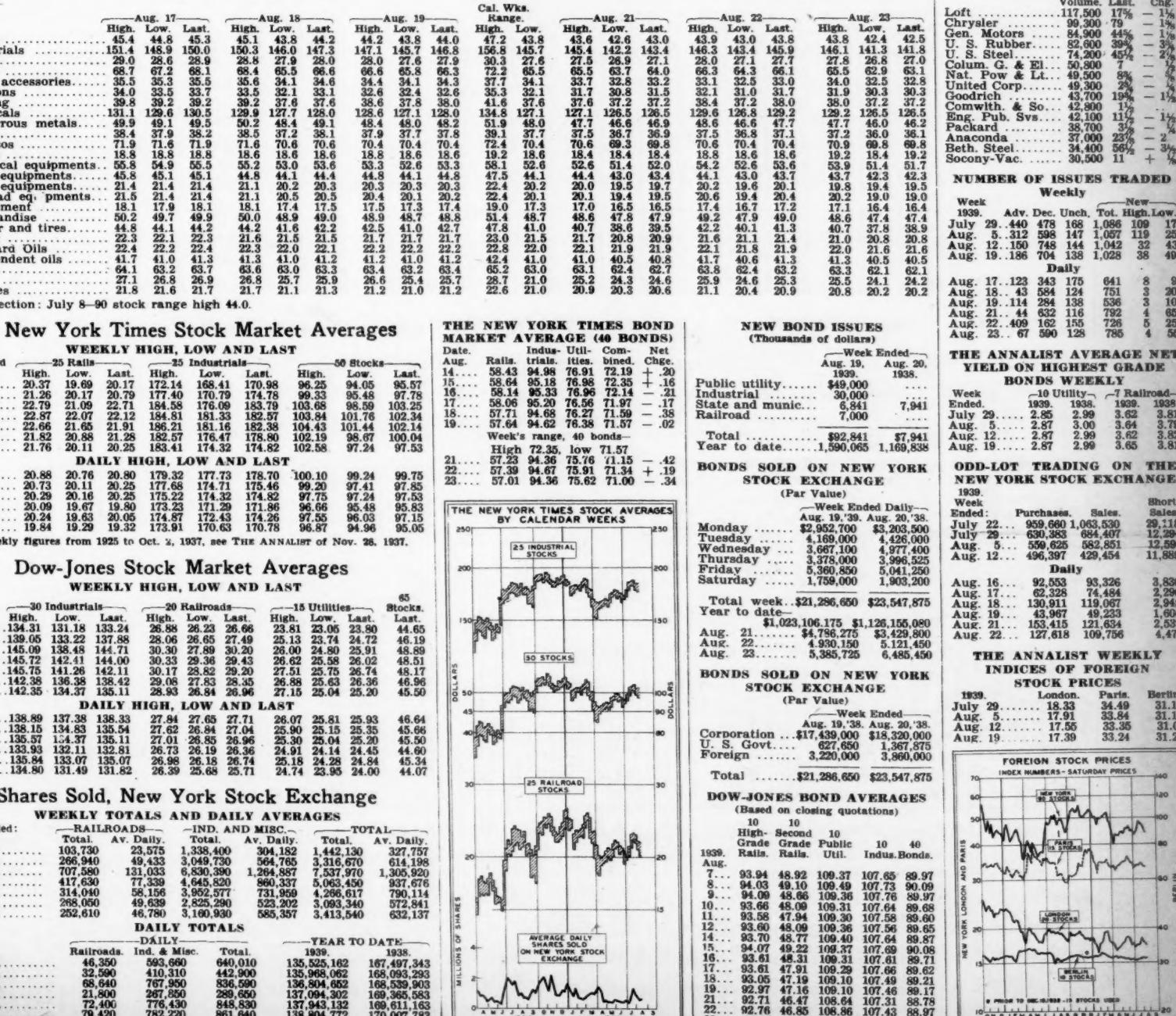
	Aug. 18.	Aug. 17.	Aug. 16.	Aug. 15.	Aug. 14.
	High.	Low.	High.	Low.	High.
England: High	\$4.68	\$4.68	\$4.68	\$4.68	\$4.68
England: Low	\$4.68	\$4.68	\$4.68	\$4.68	\$4.68
France: High	0.265	0.265	0.264	0.264	0.264
France: Low	0.264	0.264	0.264	0.264	0.264
Italy: High	0.526	0.526	0.526	0.526	0.526
Italy: Low	0.526	0.526	0.526	0.526	0.526
Germany: High	40.13	40.13	40.13	40.13	40.13
Germany: Low	40.08	40.08	40.13	40.13	40.13
Holland: High	5.369	5.366	5.370	5.373	5.381
Holland: Low	5.362	5.360	5.363	5.365	5.365
Belgium: High	1.699	1.699	1.698	1.698	1.698
Belgium: Low	1.699	1.699	1.698	1.698	1.698
Switzerland: High	2.259	2.257	2.256	2.258	2.258
Switzerland: Low	2.258	2.258	2.257	2.257	2.257
Canada: High	1.000	1.000	1.000	1.000	1.000
Canada: Low	1.000	1.000	1.000	1.000	1.000
Argentina: High	2.731	2.731	2.731	2.731	2.731
Argentina: Low	2.730	2.730	2.730	2.730	2.730

SOURCES OF DATA

(1) Railway Age. (2) Commercial and Financial Chronicle. (3) The F. W. Dodge Corporation. (4) Federal Reserve Board. (5) United States Department of Commerce. (6) United States Department of Labor. (7) Edison Electric Institute. (8) The Iron Age. (9) American Institute of Steel Construction. (10) Ward's Automotive Reports. (11) Standard & Poor's Bond Guide. (12) Engineering News-Record. (13) American Bureau of Metal Statistics. (14) American Iron and Steel Institute. (15) Abertawh Company. (16) American Petroleum Institute. (17) American Railway Association. (18) United States Department of Interior. (19) Commodity Exchange, Inc. (20) National Industrial Conference Board. (21) American Metal Market. (22) Federal Reserve Bank of New York. (23) American Zinc Institute. (24) Association of Life Insurance Presidents. (25) Bureau of Railway Economics. (26) Interstate Commerce Commission. (27) Rubber Manufacturers Association. (28) Bureau of Agricultural Economics. (29) American Appraisal Company. (30) Copper Institute. (31) New England Council. (32) National Machine Tool Builders Assoc. *Subject to revision. †Revised.

Stock and Bond Market Averages and Volume of Trading

The Annalist Weighted Averages of Group Leaders



Stock Transactions—New York Stock Exchange

For Calendar Week Ended Aug. 19.

Bid and Asked Quotations of Aug. 19 for Issues Not Traded In

Earnings per share as reported by Standard Statistics Company of New York: Light face—Calendar years 1938 and 1937 and "Special" earlier years. Full face—all current earnings, but not including fiscal years ended prior to Jan. 31, 1938 or 1937. See also note "e,"									
Year ended 1937 and 1936.									
f—Not computed, as results are before face-to-face—13—Number of months									
g—Years ended 1937 and 1936.									
h—Before Oil comm'n.									
i—Before Fathes Fathe Plan comm'n.									
j—Partly extra.									
k—Partly extra.									
l—Partly extra.									
m—Stocks of no par value are indicated by (np).									
n—Partly cumulative.									
o—Special.									
p—1936 results cover 10 months ended Oct. 31, as company is changing fiscal year.									
q—Weeks. X—Ex dividend.									
r—We shall have new "Pathes Laboratories, Inc." for each 100 shares Fathes Fathe Plan common.									
s—Partly extra.									
t—Partly extra.									
u—Partly extra.									
v—Partly extra.									
w—Partly extra.									
x—Partly extra.									
y—Partly extra.									
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qq—Partly extra.									
rr—Partly extra.									
ss—Partly extra.									
tt—Partly extra.									
uu—Partly extra.									
vv—Partly extra.									

- x—Figures under high and low column figures or payable in stock.
- y—Figures under high and low column figures or payable in stock.
- z—Not computed, as no allowance was made for debt service.
- aa—Depreciation and depletion.
- bb—Initial dividend.
- cc—Dividend of 1-5 share of Consolidated.
- dd—Amount varies. u—in script.
- ee—Per share earnings are before all computations as results are before all deductions.
- ff—Before operations of Spanish subsidiary.
- gg—Liquidation. m—adjusted.

Saturday, Aug. 19

Stock Transactions—New York Stock Exchange—Continued

For Collected Works Ended

Saturday, Aug. 19

Stock Transactions—New York Stock Exchange—Continued

For Calendar Week Ended—

LITERATURE

or payable in stock

es under high and low column
present asked and bid prices of
18.

z—Not computed, as no allowance was made for debt service.

Stock Transactions—New York Stock Exchange—Continued

For Calendar Week Ended—

Stock Transactions—New York Stock Exchange—Continued

Four Calendar Weeks Ended =

Earnings per share as reported by Standard Statistics Company of New York, ^{Light face} —Calendar years 1938 and 1937 ^{Full face} —All current earnings, but not including fiscal years ended prior to Jan. 31, 1938 or 1937. See also notes.		Earnings per share as reported by Standard Statistics Company of New York, ^{Light face} —Fiscal years ended Dec. 31, 1938 and 1937. See also notes.	
—Years ended 1937 and 1936.		—Years ended 1938 and 1937.	
—Not computed, ^a results are before depreciation and depletion.		—Initial dividend.	
—Dividend of 1-5 share of Consoli-		—Dividend of 1-5 share of Consoli-	
dated Oil common.		dated Oil common.	
—Before depletion.		—Before depletion.	
—Per share earnings not computed, as results are before all deductions.		—Per share earnings not computed, as results are before all deductions.	
—Liquidation. m—Adjusted.		—Liquidation. m—Adjusted.	
^e —Annual means figures not available.		^e —Annual means figures not available.	
^f —Full face—1 to 12—Number of months covered by latest interim report.		^f —Full face—1 to 12—Number of months covered by latest interim report.	
On all classes of preferred.		On all classes of preferred.	
—Parent company only. d—Deficit.		—Parent company only. d—Deficit.	
—Oct. 31, as com- menced year.		—Oct. 31, as com- menced year.	
—Amount varies.		—Amount varies.	
—Before operations subsidiaries.		—Before operations subsidiaries.	
^a —1938 results cover Oct. 31, as com- menced year.		^a —1938 results cover Oct. 31, as com- menced year.	

78.

Plus or payable in stock.

Bond Transactions—New York Stock Exchange—Continued

Transactions on the New York Curb Exchange

For Week Ended Saturday, Aug. 19

Stocks and bonds marked with a dagger are fully listed on the Curb Exchange; others are dealt in as unlisted issues.

Range 1939 Stock and Dividend High. Low. Net in Dollars. High. Low. Last. Chge. Sales.

2% AERO SUP M B. 27% 26% 24% - 1/4 800

1% Air Investors 1% 1/4 1/4 - 1/4 200

1% Alm Ind. 1/2 1/2 1/2 - 1/4 100

61/2 Alm Gr Soc (Sg) 72 72 72 + 2/4 25

72 83/4 Alm Pow \$7 pf (7) 98/4 97/4 98 - 1/4 570

91/4 62/4 Alm Pow \$6 pf (6) 88 88 88 - 1/4 10

1% Alles & Fisher 24/4 24/4 24/4 - 1/4 100

7/4 Allied Prod (1g.) 9 9 9 - 1/4 100

11/2 90/4 Alm Co Am 119 108 108 - 1/4 2,200

11/2 110/4 Alm Co Am pf (6) 115/4 115/4 115/4 - 1/4 250

17/4 14/4 Alm Ind. (80) 17 17 17 - 1/4 100

6/4 3/4 Alm Ind. 6/4 6/4 6/4 - 1/4 100

14/4 104/4 Alm Ind. (1g.) 125 113 113 - 1/4 1,400

3/4 13/4 Am Beverage 1% 1/4 1/4 - 1/4 100

50/4 44/4 Am Book (4) 50 50 50 - 1/4 10

5/4 55/4 Am Box Board 6 5/4 6 - 1/4 300

23/4 16/4 Am Cap pf (1g.) 16/4 16/4 16/4 - 1/4 100

2/4 5% Am Central 1/4 1/4 1/4 - 1/4 300

55/4 20/4 Am C P & L (2.52g) 34 33/4 33/4 - 1/4 300

24/4 14/4 Am C P & L B. 15/4 15/4 15/4 - 1/4 300

18/4 18/4 Am Cyan B. (60) 104/4 104/4 104/4 - 1/4 250

11/4 81/4 Am Fork & Hoe (60) 104/4 104/4 104/4 - 1/4 4,600

40/4 31/4 Am Gas & El (1.80) xd. 38/4 36/4 36/4 - 1/4 325

16/4 112/4 Am G & E pf (6) 113 112/4 112/4 - 1/4 600

4/4 3/4 Am Gen 4% 3/4 3/4 - 1/4 600

24/4 24/4 Am G & T (2) xd. 24/4 24/4 24/4 - 1/4 350

10/4 45/4 Am Hard Rub. 8/4 8/4 8/4 - 1/4 50

15/4 15/4 Am Lann M. (80) xd. 16/4 16/4 16/4 - 1/4 600

18/4 12/4 Am Light & T (1.20) 17/4 17/4 17/4 - 1/4 50

15/4 9/4 Am Mfg. 11/4 11/4 11/4 - 1/4 50

1/4 9/4 Am Maracibo 1,900

22/4 20/4 Am Meter (2g) 31 30 30 - 1/4 25

70/4 55/4 Am Pot & Ch (2g) 68 68 68 - 2/4 25

9/4 5/4 Am Republ. 5/4 5/4 5/4 - 1/4 700

1/4 5/4 Am Sodas (24g) 5/4 5/4 5/4 - 1/4 200

1/4 2/4 Am Superow 1/4 1/4 1/4 - 1/4 3,800

27/4 12/4 Am Superow pf. 212/4 172/4 172/4 - 1/4 1,300

3/4 3/4 Am Thread pf (1g) 3/4 3/4 3/4 - 1/4 2,100

1/4 1/4 Anch Post F. 1/4 1/4 1/4 - 1/4 100

3/4 2/4 Ang Wipes (.05g) 2/4 2/4 2/4 - 1/4 200

14/4 10/4 Apex Elec. Mfg. 10/4 10/4 10/4 - 1/4 200

11/4 108/4 Arctur Rad. T. 111 111 111 - 1/4 100

1/4 2/4 Arctur Rad. Tube. 1/4 1/4 1/4 - 1/4 200

1/4 2/4 Arkt Nat Gas. 2/4 2/4 2/4 - 1/4 200

3/4 2/4 Arkt Nat Gas A. 7/4 7/4 7/4 - 1/4 200

7/4 5/4 Arkt Nat Gas pf. 7/4 7/4 7/4 - 1/4 200

95/4 78/4 Arkt P. & L (7) 95/4 94/4 94/4 - 1/4 130

7/4 4/4 Art Met Wks (.30g) 4/4 4/4 4/4 - 1/4 100

5/4 4/4 Art Met Wks & R. (B) 4/4 4/4 4/4 - 1/4 400

1/4 8/4 Asso El Ind. (33g) 9/4 9/4 9/4 - 1/4 400

1/4 8/4 Asso G & El (2g) 9/4 9/4 9/4 - 1/4 2,400

1/4 8/4 Asso G & El A. 9 7/4 7/4 - 1/4 1,000

1/4 8/4 Asso G & El pf. 9 7/4 7/4 - 1/4 2,000

1/4 2/4 Atl Cat. Fish. 3/4 2/4 2/4 - 1/4 1,100

1/4 8/4 Atl Corp. War. 1/4 1/4 1/4 - 1/4 100

22/4 12/4 Atta Pif. (V) 14 14 14 - 1/4 100

3/4 8/4 Autonom. Prod. 6/4 6/4 6/4 - 1/4 2,500

8/4 6/4 Auto Vot Mach (1g) 6/4 6/4 6/4 - 1/4 600

8/4 2/4 Avery & Sons pf ww (1g) 21/4 21/4 21/4 - 1/4 100

18/4 14/4 Avery & Sons pf xx (1/2) 18 18 18 - 1/4 100

2/4 14/4 Avery & Sons war. 2/4 2/4 2/4 - 1/4 2,300

4/4 1/4 Aviation & Trans. 43/4 42/4 42/4 - 1/4 220

24/4 35/4 Aviation-Fins A. 2/4 2/4 2/4 - 1/4 100

1/4 2/4 Ayrshire P. Coll. 2/4 2/4 2/4 - 1/4 100

29/4 14/4 BALBOO CO. & WIL. 17/4 16 16 - 1/4 800

22/4 9/4 Bald Loco pf (2.10) xd. 20/4 19/4 19/4 - 1/4 100

9/4 5/4 Bald Loco war. 5/4 4/4 4/4 - 1/4 1,500

7/4 5/4 Bald Rub. (kg) 6/4 6/4 6/4 - 1/4 300

14/4 1/4 Bardst's Dis. 1/4 1/4 1/4 - 1/4 100

10/4 7/4 Barium St. S. 81 81 81 - 1/4 100

6/4 6/4 Basic D. (1.82g) 54/4 54/4 54/4 - 1/4 1,400

8/4 4/4 Bath Iron Wks. 6/4 6/4 6/4 - 1/4 200

2/4 2/4 Beaumit Mills. 4/4 4/4 4/4 - 1/4 200

11/4 5/4 Beech Airc. 5/4 5/4 5/4 - 1/4 400

36/4 1/4 Bell Airc. 1/4 1/4 1/4 - 1/4 400

17/4 16/4 Bell Tel Can (8) 176/4 176/4 176/4 - 1/4 10

12/4 10/4 Bell Tel Can (8/2) 122/4 122/4 122/4 - 1/4 50

10/4 5/4 Bellancine Airc. 45 44 44 - 1/4 200

45/4 16/4 Benson & Hed. 45 45 45 - 1/4 200

45/4 27/4 Benson & Hed pf. 45/4 45/4 45/4 - 1/4 175

3/4 2/4 Berk & Gay Furn. 3/4 3/4 3/4 - 1/4 100

1/4 2/4 Berk & G F war. 1/4 1/4 1/4 - 1/4 200

17/4 13/4 Berkfords (1.20g) 15/4 14/4 14/4 - 1/4 400

40/4 20/4 Berkfords pf (2%) 38/4 38/4 38/4 - 1/4 75

17/4 16/4 Berk Wks (W) 104/4 104/4 104/4 - 1/4 1,400

20/4 13/4 Bissell Corp. 20/4 19/4 19/4 - 1/4 100

1/4 2/4 Blue Ridge (1g) 1/4 1/4 1/4 - 1/4 2,400

42/4 34/4 Blue R. cv pf (3b) 40/4 40/4 40/4 - 1/4 500

9/4 4/4 Blumenthal (8) 5 5 5 - 1/4 100

14/4 10/4 Bonne Scrym (1g) 12/4 12/4 12/4 - 1/4 100

5/4 3/4 Bourjous 5/4 5/4 5/4 - 1/4 300

3/4 1/4 Brown-Bilt H. 1/4 1/4 1/4 - 1/4 500

7/4 2/4 Brae Tr. L. P. 7/4 7/4 7/4 - 1/4 300

12/4 9/4 Br-Ar T reg. (7.1g) 12/4 12/4 12/4 - 1/4 100

22/4 20/4 Brem Corp. 20/4 20/4 20/4 - 1/4 500

20/4 7/4 Brown Co pf. 104/4 104/4 104/4 - 1/4 200

22/4 23/4 Brit Col W A (2) 27/4 27/4 27/4 - 1/4 50

7/4 4/4 Brown Fw (20g) 5/4 5/4 5/4 - 1/4 200

4/4 1/4 Brown Fw Dist. 2/4 2/4 2/4 - 1/4 100

17/4 9/4 Brown Rubber 4/4 4/4 4/4 - 1/4 6,100

9/4 8/4 Brou (E) 8/4 8/4 8/4 - 1/4 100

23/4 19/4 Bunk N & E pf (1.60) 22/4 22/4 22/4 - 1/4 1,400

15/4 11/4 Bunk Hill & S (1/6) 13/4 13/4 13/4 - 1/4 1,100

2/4 1/4 Burry Biscuit 1/4 1/4 1/4 - 1/4 200

8/4 4/4 CON COL AIRW. 7/4 7/4 7/4 - 1/4 700

1/4 1/4 Con Ind Ale A. 1/4 1/4 1/4 - 1/4 200

5/4 2/4 Con P. & L. 2/4 2/4 2/4 - 1/4 100

5/4 2/4 Con P. & L. pf (7a) 108 105/4 105/4 - 1/4 675

27/4 17/4 Celluloid pf. 18 17/4 17/4 - 1/4 75

1/4 1/4 Cen & W Ut. 1/4 1/4 1/4 - 1/4 200

14/4 13/4 Cen Hud G & E (80) 14/4 14/4 14/4 - 1/4 1,100

105/4 90/4 Cen M F P (7.5k) 105/4 105/4 105/4 - 1/4 100

67/4 3/4 Cen N Pow (40) 98/4 94/4 94/4 - 1/4 260

94/4 8/4 Cen Ohio (80g) 8/4 7/4 7/4 - 1/4 400

104/4 85/4 Cen P. & L. (7) 104/4 103/4 103/4 - 1/4 150

1/4 1/4 Cen St El. 1/4 1/4 1/4 - 1/4 300

2/4 2/4 Cen St El 6% pf 3/4 3/4 3/4 - 1/4 125

14/4 1/4 Cen St El 7% pf 9/4 9/4 9/4 - 2/4 200

24/4 24/4 Cen St El cv pf n. 3/4 3/4 3/4 - 1/4 75

1/4 1/4 Cen St El Fp (40) 3/4 3/4 3/4 - 1/4 100

7/4 62/4 Cen Floc. Sand (5a) 7/4 7/4 7/4 - 1/4 300

1/4 1/4 Chief Cos. Min. 1/4 1/4 1/4 - 1/4 200

35/4 31/4 Childs pf. 35 31 31 - 1/4 300

91/4 5/4 Citizen Service 5/4 5/4 5/4 - 1/4 3,000

59/4 43/4 Cit Svc pf. 53 50/4 51 - 1/4 1,700

5/4 3/4 Cit Svc pf B. 5 5 5 - 1/4 100

56/4 37/4 Cit Svc pf BB. 53/4 50/4 50/4 - 1/4 30

84/4 35/4 Cit Svc pf S. 77/4 74 74 - 1/4 110

31/4 33/4 Cit Svc P & L 56 pf. 75/4 72 72 - 1/4 275

7/4 4/4 City Auto Svc. 5/4 5/4 5/4 - 1/4 500

20/4 15/4 Clark Control (4g) 16/4 16/4 16/4 - 1/4 100

1/4 1/4 Claude Neon Lts. 9/4 9/4 9/4 - 1/4 2,600

6/4 3/4 Cleve Tract. 4/4 3/4 3/4 - 1/4 500

Range 1939 Stock and Dividend High. Low. Last. Chge. Sales.

2/4 2/4 Club Al Uten. 2/

Transactions on the New York Curb Exchange—Continued

Transactions on the New York Curb Exchange—Continued

Range 1939 High. Low.	Sales in 1000s.	High.	Low.	Last.	Net Chge.	Range 1939 High. Low.	Sales in 1000s.	High.	Low.	Last.	Net Chge.	Range 1939 High. Low.	Sales in 1000s.	High.	Low.	Last.	Net Chge.
1124 112 Unit L & Ry 6s 52 A.....	34	112%	112%	112%	- 1%	26% 25% BOGOTA M B 7s 47 M.....	1	26%	26%	26%	+ 1%	15 1/2% PARANA BRAZ 7s 58.....	2	11	11	11	+ 1/2%
88 68% Unit L & Ry 6s 73 A.....	17	88	84	84	- 2%	26% 25% Bogota M Bk 7s 47.....	1	26%	26%	26%	+ 1%	51 38 Pied Hy-El 6 1/2s 60 A.....	8	44	41 1/2	42%	+ 2%
99% 81% Utah P & L 6s 222 A.....	19	98	96	96	- 2%	16 1/2 10 CAUCA VAL 7s 48.....	7	15%	15	15	+ 1/2%	14 1/2% RIO DE JAN 6 1/2s 50.....	2	8 1/2	8	8 1/2	+ 3%
100% 91% Utah P & L 4 1/2s 44.....	5	99 1/2	99 1/2	99 1/2	+ 1/2%	50% 39 ERICO M EL 6 1/2s 53 A.....	1	41%	41%	41%	-	64 50 STINNES 4s 40 2d st.....	2	54	54	54	+ 1
98 82 VIRG PUB S 6s 46.....	6	96	95	95	- 1%	104% 99 FIN R M BK 5s 61 st.....	2	100	100	100	-	50 34 Stinnes 4s 40 2d st.....	2	35	35	35	-
101 88% Virg P & S 5 1/2s 46 A.....	70	100%	99	99	- 1%	20 16% GER C MUN 6s 47.....	1	19%	19%	19%	-	53% 38% TERNI ELEC 6 1/2s 53.....	17	42%	40%	40%	- 2%
100% 100% Virg Pub S 5s 50 B.....	31	100%	100%	100%	+ 1%	20 16% GER C Mun 6s 47.....	1	18%	18%	18%	-	52 40% UNIT EL SVC 7s 56.....	2	42	42	42	- 2
31% 11% WALD-ASTO 5s 54.....	67	15%	13	13	- 1%	53 38 HAMBG EL 5 1/2s 38.....	3	28%	28%	28%	+ 1/2%	Matured bonds, negotiability impaired pending investigation. *In bankruptcy or receivership or being reorganized under Bankruptcy Act, or securities assumed by such companies. Bonds so marked are fully listed on the Curb Exchange. All others are dealt in on an unlisted trading basis, or under rule. wW With warrants. xW With out warrants. war Warrants.					
63 50 West News Up 6s 44.....	13	59%	58	58	+ 1%	22 17 Hanover City 7s 39.....	2	21	20	20	- 1%						
116 110% West Pa Tract 5s 60.....	2	115	114 1/2	114 1/2	- 1/2%	52 1/2 38 ISARCO HY EL 7s 52.....	19	45%	42%	43%	+ 1/2%						
108% 100% Wise P & L 4s 66 A.....	15	100%	105%	105%	-	16 11 1/2 MEDELL COL 7s 51.....	18	15%	14%	15 1/2%	+ 1/2%						
106 1024 YADKIN RIV P 5s 41.....	1	105	105	105	- 1/2%												
95 87 York Rys 5s 37.....	" 13	95	94%	95	+ 1%												
96% 86% York Rys 5s 47 st.....	" 9	96%	95%	96	+ 1%												
284 25% AGRI MTG BK 7s 46.....	3	28%	26%	26%	- 1%												
FOREIGN BONDS																	

Insurance

Continued from Page 238

due to the interest earned on the reserve fund. If the policy is a participating one, annual cash dividends are paid in addition. These cash dividends may be taken in cash, used to purchase additional paid-up life insurance with equivalent cash surrender values, or they may be left with the company on deposit at a guaranteed rate of interest (compound) and at the time of the insured's death are, of course, to be paid in addition to the face amount of the insurance policy.

All limited payment policies have the same provision as ordinary life policies, such as cash or loan values, extended term insurance and paid-up values.

An endowment life insurance policy is largely an investment contract. It is a guaranteed investment providing for the payment to the owner of a stipulated sum of money at the end of a certain number of years (called the maturity date), with the guarantee that should the purchaser die prior to the maturity of the policy, the full face amount would be paid immediately to his beneficiary or estate.

In this class of policy we may also include all annual premium deferred annuities when combined with life insurance, as the first step necessary for the payment of an annuity is the creation of a fund in cash with which the annuity may be purchased.

The fundamental difference between endowment and the other forms of life insurance policies is in the payment of the face amount of the policy to the insured at the end of a stipulated number of years. Because of the fact that the company must pay this face amount in cash regardless of date of death, obviously the reserve built up by the premiums paid in must equal the face amount at maturity or there would not be sufficient funds to make the payment. This plan therefore requires a larger premium than the others; to this premium also must be added the cost of the "pure" insurance in the interval prior to maturity. But owing to the relatively large amount of reserve, the "pure" insurance at risk is decidedly small after the first few years.

Endowments like other forms are usually written on a 3 per cent reserve basis today, as shown in Table III (see THE ANNALIST of Aug. 10, page 173). Endowments have the same provisions as ordinary life policies, such as reduced paid-up insurance, cash and loan values and extended term insurance should the premium payments not be continued to maturity.

Single Premium Insurance

There is still another form of life insurance used to meet certain conditions, that is, fully paid-up life insurance purchased by payment of a single lump-sum premium. There are two major subdivisions: single premium life and single premium endowment.

Such policies, if written in a mutual company, participate in annual cash dividends. Further, the reserve or cash sur-

render value automatically increases each year due to earned interest on the reserves until, in the case of the single premium life contract, the reserve equals the face of the policy at age 96, and in the case of the single premium endowment the reserve equals the face amount after a stipulated number of years, usually from five to twenty.

Both of these forms have cash and loan values and the reserves are, of necessity, exceedingly high as is shown by the reserve table. Paid-up cash dividends may be left with the insurance company on the same basis as under ordinary life, limited payment and endowment contracts.

G. CHAUNCEY PARSONS.

National Government

Continued from Page 237

financing (spend-lend) bill. House refused to consider Aug. 1. (S2864).

HR267 (Harter, Ohio) HRpt1322 Jul 26—Multiple-bid plan for army aircraft purchases. (S2868).

HR7342 (Jones, Tex) HRpt1336 Jul 27—Amend Emergency Farm Mortgage Act, 1933.

HJR265 (Wood, Mo) HRpt1332 Jul 26—Labor Statistics invstg labor costs in industry.

BILLS IN COMMITTEE—Of the thousands of bills still pending before the committees to which they were originally referred in the Senate and House, the following include subjects still alive for action next session but were not reported out during the session just past. See also resolutions agreed to, which are likely to lead to legislation.

Wagner Act—Protracted hearings held by Senate Education & Labor and House Labor Committee on amendments to the law.

Health-Wagner bill for extensive aid to States.

Silver—Senate Banking & Currency Committee hearings held; amendment to stabilization fund extension bill would have killed the foreign silver purchase program but was taken out in conference.

Chain Stores—Congressman Patman has been promised Ways & Means Committee hearings on his chain store tax bill early next year.

Business Credit—Senate Banking & Currency Committee hearings held on little business credit. Liberals building up issue thru Monopoly Committee, etc., for capital credit bank system.

Oil-Cole bill in House to be promoted by recess investigation.

Veterans—A plan to pension all veterans over 65 has backing in House committee.

Anti-lynching—Discharge petition completed in House to force a vote next session.

Not Guaranteed

Continued from Page 237

rent disbursement costs, plus a small reserve, instead of undertaking present preparation for the high future costs. It does not make much difference, however, whether they are levied or not, so far as final allocation of the burden is concerned. If levied, they would presumably fall largely on employers. If not levied, the liability for pensions will merely accrue for later payment by the same means. Both the "business" and the "public" groups within the advisory council thus appear to have been very generous with the "labor" group in respect to reducing the percentage of the contributory support.

The law is now only one-third contributory, of which only half (one-sixth of the cost) is being "contributed." Two-thirds

of the law is now a non-contributory pension plan, and at the present moment five-sixths of it is. Neither the advisory council's report nor the debate in Congress mentioned the nine consecutive years of Federal deficits as having any bearing on the proposal to increase the non-contributory percentage.

The June 30 statements of the New York City banks show the customary (1933-1939) percentages of cash and governments. The idea that these amounts constitute "idle money," however, is not too accurate. The bank debits for June in all reporting cities were nearly \$39,000 millions. That means that the said "idle money" changes ownership at a fair pace, in the consummation of various pieces of business.

When better investments than cash and governments are to be had, presumably the banks will buy them. It looks as if they had competed one with another for the present supply about as much as they dare. It would take only a quiver in the going short-term money rate to destroy many present bond prices, and therefore much bank capital and surplus.

It seems unreasonable to complain that the banks are not now liberal enough with credit, while attributing the origin of the present economic ills to the fact that in the Twenties they were too liberal. Possibly the banks, too, have learned something these last ten years. Surely they should not be expected to again force loans on reluctant borrowers, in the alleged manner of their former dealings abroad.

Financial News

Continued from Page 245

Commonwealth and Southern Corporation (6-29-39)—Sale of Tennessee Electric Power Company to TVA and associated municipalities for \$78,000,000 was followed by announcement that TVA is under contract to sell electric power to Alabama Power Company, largest remaining C. and S. subsidiary in the Southeast.

Sequel to this ending of the long controversy was the disclosure by Wendell L. Willkie, president, that Commonwealth and Southern would start at once on an additional construction program that will mean an outlay of about \$16,000,000.

Construction of a new 40,000-kilowatt generating plant for the Alabama Power Company at Mobile, Ala., and additions to plant in Michigan, Pennsylvania, Ohio, Indiana and Illinois are among the items on the new program.

Laclede Gas Light (11-16-38)—A schedule cutting rates 7 per cent on the average and estimated to save consumers \$422,945 a year has been approved to take effect Sept. 1, 1939.

Oklahoma Natural Gas—An issue of \$17,000,000 first mortgage bonds, Series B 3 1/2 per cent, due Aug. 1, 1955, has been offered at 103 1/2 per cent and accrued interest and \$8,000 no par shares of \$5.50 cumulative convertible prior preferred stock at \$104 a share by an underwriting group.

MISCELLANEOUS

American Stores Company—From July 3 to July 29, 1939, sales amounted to \$8,520,118, against \$9,222,298, a decline of 7.6 per cent from those of the like period of last year. From Jan. 1 to July 29, 1939, sales totaled \$64,276,694, against \$63,426,189, an increase of 1.3 per cent over the comparable period of 1938.

Associated Dry Goods Corporation (4-5-39)—Sales of the subsidiary store companies in the twenty-six weeks ended July 29 totaled \$25,261,659 as compared with sales of \$24,

106,343 in the corresponding period of 1938, an increase of 4.9 per cent.

In the thirteen weeks to July 29 sales amounted to \$12,142,370, as against \$11,182,630 in the like period of last year, an increase of 8.6 per cent.

Carnation Company—After redeeming 5,000 shares of first preferred stock on Oct. 1 from holders of record to July 5, as agreed upon by the directors, the company would have 29,984 shares of first preferred outstanding.

Commercial Credit Company (8-10-39)—Ten-year 2 1/4 per cent notes, due Sept. 30, 1949, have been sold in the amount of \$30,000,000 by this company to four large insurance companies for their investment accounts. The proceeds would be used for the retirement of the 3 1/4 per cent debentures, due 1951, which on July 27 were called for payment Sept. 30, with all unmatured coupons attached at 103 1/2 and accrued interest.

Commercial Investment Trust (8-10-39)—Options to buy 59,902 shares of common stock at prices ranging from \$33.33 to \$45 a share were in existence on July 31, this company announces.

Kaufmann Department Stores (12-21-38)—Sales for first six months amounted to \$11,700,079, as against \$11,480,655 in like period of 1938. Net earnings for the first half were the equivalent of 51 cents a common share, after provision for dividends on the outstanding 5 per cent preference stock.

Net income was \$437,525, compared with \$331,914 a year ago. The first semi-annual report ever issued by the company, it is based, Edgar J. Kaufmann, president, explains, on book inventories and so is subject to adjustments.

Postal Telegraph and Cable Corporation (8-10-39)—Showed on land line operations a net loss of \$309,732, against net loss of \$293,719 in June, 1938. In six months net loss was \$2,054,758, against net loss of \$2,031,397.

A group headed by Halsey Stuart & Co. has offered a new issue of company's \$7,000,000 refunding and improvement mortgage 3 1/2 per cent bonds, Series B, due July 1, 1974, at 102 60 and accrued interest.

Proceeds will be used to retire \$7,000,000 of first mortgage 4 1/2 per cent bonds due Oct. 1. The issue is callable other than for the sinking fund, at the option of the company on forty-five days' notice, as a whole at any time, or in part on any interest payment date at a graduated scale of redemption prices ranging from 108 on or before July 1, 1943, to 101 after July 1, 1963, to July 1, 1971, and thereafter at 100.

United Air Lines Transport (8-17-39)—Public hearing on the application to merge Western Air Express Corporation with this company will be held by the CAA on Dec. 4, with no decision to be expected, therefore, until 1940. Under the agreement signed June 26, whereby United would purchase from a group of W. A. E. stockholders their majority interest, a limit to the purchase option was set for July 1, 1940.

Western Air Express Corporation (8-3-39)—President said that as a result of the increase in mail pay rates granted to the line by the Civil Aeronautics Authority "we are certain now that we will be in the black for the first seven months of this year and a definite profit is anticipated for the full year." This year's passenger revenue to June 30 showed a 22 per cent gain over like period of 1938. July revenue was 33 per cent ahead of a year ago, while August so far is ahead of July.

Recent Books

A HISTORY OF EUROPE, by H. A. L. Fisher. (Houghton Mifflin, \$5.) A revised edition of a work first published in 1935.

INTRODUCTION TO ARGENTINA, by Alexander Wilbour Weddell. (Greystone, \$3.) Information about the country and its history by the United States Ambassador.

NEW DATA FOR LENIN'S "IMPERIALISM", edited by E. Varga and L. Mendelsohn. (International, \$2.) A reprint of Lenin's work, with supplementary material.

THERE IS NO RETURN, by Philip Jordan. (Harper, \$3.) Reminiscences of a diplomatic correspondent and feature editor of The London News-Chronicle.

Week Ended

Transactions on Out-of-Town Markets

Saturday, Aug. 19

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San Francisco Stock Exchange

Quotations are for week ended Friday, as prepared by the Exchange.

STOCKS

Sales. High. Low. Last.

	1,688 Ital Pet Cpo	1,016	10	10%
500 Emco D&E	75	70	75	
400 Exeter Oil	50	50	50	
387 Gen Motors	44	44	44	
200 Gladd McB	75	74	74	
350 Globe Grd M	75	74	75	
600 Gdyr T&R	25	26	26	
2,300 Hancock O	40	39	39	
300 Holly Dev.	80	85	85	
100 Hormel	17	17	17	
300 HuppmMcCar	57	57	57	
1,000 Interco Pet	10	10	10	
1,274 Elec Prod.	10	10	10	
500 Emco D&E	75	70	75	
400 Exeter Oil	50	50	50	
387 Gen Motors	44	44	44	
200 Gladd McB	75	74	74	
350 Globe Grd M	75	74	75	
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Banking Statistics—Brokers' Loans—Gold Reserves

Statement of the Federal Reserve Banks

	(Thousands)			N. Y. Federal Res.			Banks		
	Combined Fed Res.	Banks—	Aug. 16, 1939.	Aug. 9, 1939.	Aug. 17, 1938.	Aug. 16, 1939.	Aug. 9, 1939.	Aug. 17, 1938.	
ASSETS									
Gold certificates on hand and due from U. S.	\$13,968,221	\$13,914,220	\$10,632,407	\$6,591,773	\$6,536,417	\$4,543,941			
Treasury	9,056	8,594	9,112	1,560	1,560	1,237			
Redemption fund—Federal Reserve notes	341,500	348,919	390,598	89,520	94,895	110,289			
Other cash									
Total reserves	\$14,318,786	\$14,271,733	\$11,032,117	\$6,682,653	\$6,632,872	\$4,655,467			
Bills discounted:									
Secured by U. S. Government obligations, direct or fully guaranteed	1,052	1,400	3,724	396	562	1,494			
Other bills discounted	3,500	3,518	2,908	906	901	294			
Total bills discounted	\$4,552	\$4,918	\$6,632	\$1,302	\$1,463	\$1,788			
Bills bought in open market	545	545	540	212	212	213			
Industrial advances	11,615	11,665	15,816	2,060	2,063	3,690			
U. S. Government securities:									
Bonds	911,090	911,090	744,105	265,094	265,741	226,408			
Treasury notes	1,176,109	1,176,109	1,196,188	342,203	343,042	363,960			
Treasury bills	335,540	335,715	623,722	97,630	103,753	189,779			
Total U. S. Government securities	\$2,422,739	\$2,442,914	\$2,564,015	\$704,927	\$712,536	\$780,147			
Total bills and securities	2,439,451	2,460,042	2,587,063	708,501	716,274	785,838			
Due from foreign banks	178	178	180	67	67	66			
Federal Reserve notes of other banks	22,635	22,715	23,032	4,548	4,253	4,225			
Uncollected items	721,814	582,733	589,565	200,539	150,967	149,134			
Bank premises	42,259	42,259	44,486	8,926	8,926	9,857			
Other assets	50,450	49,918	51,280	14,958	14,933	15,369			
Total assets	\$17,595,573	\$17,429,578	\$14,327,663	\$7,620,192	\$7,528,292	\$5,619,956			
LIABILITIES									
Federal Reserve notes in actual circulation	\$4,563,822	\$4,550,689	\$4,150,214	\$1,136,149	\$1,128,559	\$912,211			
Deposits:									
Member bank—reserve account	10,633,449	10,509,003	8,085,198	5,733,768	5,588,171	3,846,859			
U. S. Treasurer—general account	775,739	844,268	802,104	159,197	264,813	376,940			
Foreign bank	280,665	307,286	115,867	100,578	110,102	41,044			
Other deposits	284,585	289,237	233,198	192,567	191,454	179,635			
Total deposits	\$11,974,438	\$11,949,806	\$9,236,367	\$6,186,050	\$6,144,540	\$4,444,478			
Deferred availability items	708,783	580,485	589,541	177,765	135,007	141,912			
Other liabilities, including accrued dividends	2,948	2,806	2,883	1,006	963	656			
Total liabilities	\$17,249,991	\$17,083,784	\$13,979,005	\$7,500,970	\$7,409,069	\$5,499,257			
CAPITAL ACCOUNTS									
Capital paid in	135,477	135,428	133,963	50,874	50,878	50,859			
Surplus (Section 7)	149,152	149,152	147,739	52,463	52,463	51,943			
Surplus (Section 13b)	27,264	27,264	27,683	7,457	7,457	7,744			
Other capital accounts	33,689	33,950	39,283	8,428	8,428	10,053			
Total liabilities and capital accounts	\$17,595,573	\$17,429,578	\$14,327,663	\$7,620,192	\$7,528,292	\$5,619,956			
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	86.6%	86.5%	82.4%	91.3%	91.2%	86.9%			
Contingent liability on bills purchased for foreign correspondents	101	697	36	.....	.....	224			
Commitments to make industrial advances	11,261	11,337	13,740	2,049	2,172	3,878			

Statement of Member Banks

(Principal resources and liabilities of reporting member banks in 101 leading cities; millions of dollars)

LOANS—	All Reporting			Chicago			New York City		
	Aug. 16, 1938.	Aug. 9, 1939.	Aug. 16, 1938.						
Business	3,912	3,917	3,900	352	355	347	1,471	1,464	1,470
Open market	313	310	337	18	18	20	117	114	133
Stock market:									
Brokers	676	631	1,632	37	33	28	525	484	508
Other	519	522	578	68	68	184	186	196	
Total	1,185	1,153	1,210	105	101	96	709	670	704
Real estate	1,172	1,170	1,160	14	14	12	118	116	118
Banks	60	74	115	50	50	56	84	89	
Other	1,534	1,532	1,501	50	50	52	381	379	428
Total loans	8,186	8,156	8,223	539	538	527	2,846	2,807	2,942
INVESTMENTS—									
Treasury bills	495	480	206	205	220	206			
Treasury notes	2,159	2,153	7,647	243	875	834	835	2,781	
U. S. bonds	5,890	5,895	653	651	2,171	2,176			
Govt. guaranteed	2,267	2,259	1,628	149	127	1,136	1,133	773	
Other securities	3,340	3,329	3,107	327	319	1,179	1,175	1,046	
Total invest.	14,151	14,118	13,409	1,574	1,321	5,540	5,525	4,600	
Total loans and investments	22,337	22,274	20,632	2,117	2,112	1,848	8,388	8,332	7,542
Reserves with F. R. Bk.	8,917	8,791	6,568	922	856	5,145	5,005	3,339	
Cash in vault	426	446	382	38	38	32	60	52	50
Bals. with domes. bks.	2,842	2,777	2,437	226	221	212	76	73	70
Other assets, net	47	48	51	51	374	377	483		
Demand deposits adj.	17,641	17,551	15,020	1,686	1,521	7,875	7,791	6,224	
Time deposits	5,245	5,251	5,215	497	496	464	644	653	660
Government deposits	544	548	425	63	52	50	52	50	104
Interbank deposits:									
Domestic banks	7,183	7,051	5,953	815	810	686	3,074	2,983	2,453
Foreign banks	655	629	320	12	11	6	575	550	279
Borrowings	7	10	1	13	13	15	341	337	282
Other liabilities	265	266	250	1,452	1,452	1,483	1,482		
Capital account									

*Officially designated "Commercial, industrial and agricultural loans."

DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS WEEKLY

No. of Centers Included	Week Ended Aug. 16, 1939.	Aug. 9, 1939.	Aug. 17, 1938.
1—Boston	17	1939	1938
2—New York	15	3,629,622	2,807,915
3—Philadelphia	18	460,107	370,472
4—Cleveland	25	518,551	437,077
5—Richmond	24	279,129	266,313
6—Atlanta	26	239,570	215,965
7—Chicago	41	1,010,690	961,658
8—St. Louis	16	224,000	209,050
9—Minneapolis	17	163,620	153,526
10—Kansas City	28	264,861	243,174
11—Dallas	18	189,103	168,084
12—San Francisco	29	655,348	592,097
Total	274	\$8,127,677	\$6,820,760
New York City	1	3,370,665	2,538,379
Total outside N. Y. City	273	\$4,757,012	\$4,282,381
141 cities		7,499,000	6,223,000
			6,714,000

MONEY RATES IN NEW YORK CITY WEEKLY

Time Loans	Prime	Bankers'	Acceptances
Call Loans	60-90 Days	4-6 Months	180 Days
Daily	Daily	Daily	Daily
High. Low. Av.	High. Low. Av.	High. Low. Av.	High. Low. Av.
July 12. 1 1 1.00 1.14 1.25 1.14 1.50 1.62 1.62 1.56 1.56 1.44	July 19. 1 1 1.00 1.14 1.25 1.14 1.50 1.62 1.62 1.56 1.56 1.44	July 26. 1 1 1.00 1.14 1.25 1.14 1.5	

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OPEN MARKET FOR UNLISTED SECURITIES

These quotations are for bankers, brokers and dealers and are accepted for publication as actual markets. The number at the left of a quotation identifies it with the name of the firm in the index making the market. Prices are as of close of business on Saturday.

FOREIGN SECURITIES

Key.	Bib. Offer.
Argentine unif 4s 1897- .	78 82
Belgian Prem 5s .20 .	34 ..
Belgian Rent 5s .19 .	33 ..
Benigno Crespi 7s .56 .	39 43
Brazil 4s, 1889 .	5 7
Brazil 4s, 1893 .	5 7
Brazil 4s, 1894 .	5 7
Brazil 1s, 1900 .	5 7
Brazil 4s, 1910 .	5 7
Brit Con. 2 1/2s perp .	61 63
British Fdg 4s. Mar. '19 97 1/2s	99 1/2
British Gov conv 3 1/2s .	84 1/2 86 1/2
British Vict 4s. Sept. '19 97 1/2s	97 1/2 99 1/2
Buenos Aires 1 1/2s, 1915-60 .	48 52
(100 pieces) .	37 ..
Costa Rica 5s. 1911 .	164 194
Finland 1st 4 1/2s .36-60 .	19 1/2 21 1/2
Finland 1935-60 .	21 1/2 ..
French 4s, 1917 .	20 22
French 4 1/2s A .	21 1/2 23 1/2
French 5s, 1925 .	20 ..
Italian conv loan 3 1/2s .	23 27
Midi R R 60/1,000 fr. 17 19	47 ..
Paris-Orleans 6s. 56/1,000 fr. .	22 24
Polish 5s, conv in 100m 5 1/2s .	84 1/2
Togo Stg 5 1/2s, 1960 .	35 ..
Uruguay 5s, 1919 .	36 1/2 ..

*Paying in currencies of issuing countries.

CANADIAN SECURITIES

PROVISIONAL ISSUES:

Principal and interest payable in United States funds:

Alberta 1 1/2s, 1956 .	62 64
Alberta 5s, 1956 .	64 66
Brit Columbia 4 1/2s, 1953-103 .	105 ..
Brit Columbia 5s, 1954 .	106 107 1/2
Manitoba 4s, 1957 .	88 90
Manitoba 4s, 1960 .	94 ..
N.B. & P. 4s, 1960 .	112 114
Nova Scotia 4 1/2s, 1952 .	108 1/2 110 1/2
Ontario 4s, 1966 .	109 111
Ontario 4 1/2s, 1951 .	113 1/2 115 1/2
Ontario 5s, 1960 .	121 123 1/2
Quebec 4s, 1958 .	108 110
Quebec 4 1/2s 1956 .	112 114
Saskatchewan 4 1/2s, 1960 .	74 ..
Yukon 5s, 1959 .	73 1/2 74 1/2
Interest payment reduced one half, effective June 1, 1936.	

U. S. GOVERNMENT AND MUNICIPAL BONDS

ARKANSAS:

63 Little Rock Water Rev 4s 1950-65 .	OW ..
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MICHIGAN:

63 Detroit non-callable 5 1/2s, 1943-47 .	OW ..
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MISSOURI:

63 Atchison Co Bridge Rev 4 1/2s, 1958 .	101 ..
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JOINT STOCK LAND BANK BONDS

Atlanta 3s, 1941-58 .	99 1/2 101
Baltimore 3s, 1934-54 .	22 ..
Baltimore 4 1/2s, 1937-57 .	22 ..
Central Ill 5s .33-53 .	23 25
Chicago 4 1/2s, 1932-54 .	33 35
Chicago 5s, 1932-52 .	34 35
Chicago 5s, 1931-61 .	34 35
Dallas 3s, 1944-40 .	100 102
Denver 3s, 1942-40 .	100 102
Fist 5s, 1932-52 .	100 101 1/2
First Mich 3 1/2s, 1935-42 .	99 101
First Mich 3s, 1934-44 .	100 101 1/2
First Texas 5s, 1937-67 .	100 ..
First Tr Chi 4 1/2s, 1939-59 .	100 ..
First Tr Chi 4 1/2s, 1938-58, 100 1/2s .	102 1/2 ..
Fletcher 3 1/2s, 1940-45 .	100 1/2 102
Fremont 5s, 1933-53 .	84 ..
Fremont 4 1/2s, 1936-66 .	83 ..
Ill Midwest 5s, 1934-54 .	99 101
Iowa 4 1/2s, 1936-56 .	94 97
Lafayette 5s, 1931-51 .	100 101 1/2
Lafayette 4 1/2s, 1938-58 .	99 101
Lincoln 4 1/2s, 1937-67 .	89 93
Lincoln 5s, 1931-51 .	90 94
Lincoln 5s, 1931-51 .	91 94
New York 5s, 1936-56 .	100 102
No Carolina 3s, 1942-38 .	99 100
Ohio-Penn 5s, 1934-54 .	99 102
Ore-Wash 5s, 1933-53 .	40 45
Pac Coast Port 5s .35-58 .	101 ..
Pan Am 4 1/2s, 1937-67 .	87 108
Phoenix 4 1/2s .	105 ..
Potomac 3s .	99 1/2 ..
St Louis 4 1/2s, 1936-56 .	23 25
St Louis 4 1/2s, 1934-54 .	23 25
San Antonio 3s, 1944-40 .	100 101 1/2
100 Mine 5s, 1932-52 .	12 1/2 14
8 W Ark 5s, 1937-57 .	86 88
Union Distri 4 1/2s, 1937-57 .	102 ..
Union Distri 5s, 1939-59 .	100 ..
Virginia 3s, 1942-39 .	100 ..

*Paid due to default in interest.

PUBLIC UTILITY BONDS

Central Gas & Ele 5 1/2s, 1948-58 .	90 ..
Con El Pr 6s, 1954 .	105 1/2 ..
Consel F & G 6s .52 .	56 1/2 58 1/2
Elk Mtn 5s, 1950-55 .	105 1/2 ..
Gas & El Bergen 5s, 1949-52 .	105 1/2 ..
Hudson Co Gas 5s, 1949-52 .	105 1/2 ..
Jersey C Hob & P 4s, 1949-62 .	64 ..
Mount Sta Pr 5s .38 .	101 102 1/2
Mount Sta Pr 5s .38 .	101 101 1/2
Paterson Rwy 5s, 1944-58 .	95 100
Puget Sh P & L 5s, 1949-54 .	93 94 1/2
So Jersey G & Es 5s, 1933-125 .	100 ..
Un Elec of N J 4s, 1949-118 1/2s .	101 ..
Traded flat.	

INDUSTRIAL AND RWY. BONDS

Akron, C&Y gen 5 1/2s, 45 27 1/2 .	30 ..
Amer Writing Pap Cpy Inc 6s, 1961 .	46 1/2 48 1/2

INDUS. & RWY. BONDS (Cont.)

Key.	Bid. Offer.
Brown Co 5 1/2s, 1946 A .	28 30
Carrier Corp 4 1/2s, 1948 .	87 89
Crown Cork & Si 4 1/2s, 1948 .	99 100
Cube R I & E 5s .60 .	31 33
Deep Rock Oil 7s, 1937 .	50 52
Dewey & Salt L R 6s .60 .	76 79
Hayline Corp 5s, 1938 .	26 ..
Min & Gnt Pct 1st 6s .45 .	22 23
Nail Rad 5s, 1946 .	18 ..
New Orl Gt No 5s, 2032 .	15 17
Old Ben Coal 1st 6s .48 .	31 33
Scovill Mfg 5 1/2s, 1945 .	107 1/2
Vicks Bge 1st 6s, 1948 .	69 71
Woodward Iron 1st 5s .62 .	106 ..
Woodward Iron 2d 5s .62 .	104 ..
telling flat due to default in interest.	

REAL ESTATE SECURITIES

Key.	Bid. Offer.
Broadway Barclay 2s .36 1946 .	22 24
Broadway Mot 4s-6s, 1948 .	65 68
Channing Building 4s, 1945 .	38 42
Equitable Off Bldg 5s, 1948 .	31 34
500 Fifth Ave stp 4s, 1948 .	28 30
50 Broadway Inc 2s, 1946 .	19 22
42 Broadway 1st 6s, 1939 .	53 ..
Land Title St 1st 6s, 1958 .	21 23
Market Street Natl .	318 316
Nat Bank Germantown .	59 ..
No. Broad .	5 7
Northeast .	65 70
North Philadelphia .	83 88
Northern .	540 555
Northwestern .	13 17
Land Title B & T .	214 216
Market Street Natl .	308 318
No. Broad .	5 7
North .	65 70
Philadelphia .	107 110
Provident .	288 298
E Trust .	181 211
Second .	41 61
Trademans' .	130 135
W .	81 ..
Y .	51 53
N Y Title & Mtg cfts, Ser Q .	41 43
N Y Title & Mtg cfts, Ser F .	31 33
N Y Title & Mtg cfts, Ser F .	51 53
Q .	41 43
160 Bldg Assoc 4 1/2s 1948 .	42 45
Roxy Theatre Int 4s 1937 .	63 65
Savoy-Plaza 3s, 1956 w s .	165 194
Sherneth reorg 5s, 1948 .	114 135
61 Bayway, 1st 3 1/2s, 1950 .	37 39
Textile Building 1st 3-5s .	34 36
1958, w s .	35 38
2 Park Ave Bldg 1st 4s, 1946 .	49 50
Walton Beaver St Inc 4 1/2s .	1951, w s .
W .	154 174
Welling flat due to default in interest.	

BANK STOCKS

Key.	Bid. Offer.
First National .	19 21
West Side .	10 12
PHILADELPHIA:	
Central Penn National .	31 33
City National .	18 20
Corn Exchange .	45 48
Erie .	30 34
Fidelity Philadelphia .	240 250
Finance of Pennsylvania .	126 131
Frankford .	40 43
Germantown .	17 19
Girard .	55 57
Industrial .	1 5
Integrity .	1 2
Kensington .	25 28
Land Title B & T .	214 216
Market Street Natl .	308 318
No. Broad .	5 7
North .	65 70
Philadelphia .	107 110
Provident .	24 27
Fuller Bldg 1st 2 1/2s, 4s .	24 27
Fuller Bldg 1st 2 1/2s, 4s .	24 27
1949, w s .	35 39
Graybar Bldg 1st 1 1/2s, 4s .	84 86
Harriman Bldg 1st 6s, 1948 .	154 158
Hotel St George 4s, 1950 .	33 35
Leffcourt Bldg 1st 4s .	48 50
London Terrace 1st gen .	60 70
3-4s, 1952 .	37 39
Metro Playhouse 5s, 1945 .	70 72
N Y Ath Club 1st 2s, 1955 .	35 37
st reg .	15 21
N Y Title & Mtg cfts, Ser E K .	50% 52%
N Y Title & Mtg cfts, Ser E K .	50% 52%
N Y Title & Mtg cfts, Ser F .	33 35
Q .	41 43
160 Bldg Assoc 4 1/2s 1948 .	42 45
Roxby Theatre Int 4s 1937 .	63 65
Savoy-Plaza 3s, 19	

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